

# Statutory Inspectors General in the Federal Government: A Primer

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# Statutory Inspectors General in the Federal Government: A Primer

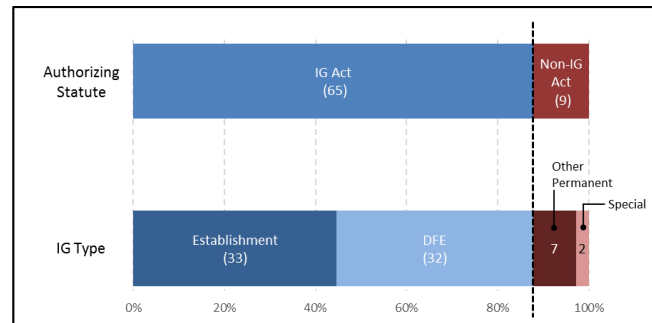
This report provides an overview of statutory inspectors general (IGs) in the federal government, including their structure, functions, and related issues for Congress.

## Report Roadmap

- *Establishment of Statutory IGs.* History and evolution of the Inspector General Act of 1978.
- *Structure of the IG Community.* Different types of IGs and their distribution across the government.
- *Types of IG Reviews.* Differences among an IG audit, inspection or evaluation, and investigation.
- *IG Statutory Authorities and Requirements.* Comparison of selected authorities and requirements across different IG types.
- *Coordination and Oversight of Statutory IGs.* Overview of the structure and functions of the Council of Inspectors General on Integrity and Efficiency (CIGIE) and other coordinative bodies.
- *Issues for Congress.* High-level overview of broad issues facing statutory IGs.

Statutory IGs—established by law rather than administrative directive—are intended to be independent, nonpartisan officials who aim to prevent and detect waste, fraud, and abuse in the federal government. To execute their missions, IGs lead offices of inspector general (OIGs) that conduct various reviews of agency programs and operations—including audits, investigations, inspections, and evaluations—and provide findings and recommendations to improve them. IGs possess several authorities to carry out their respective missions, such as the ability to independently hire staff, access relevant agency records and information, and report findings and recommendations directly to Congress.

A total of 74 statutory IGs currently operate across the federal government. Statutory IGs can be grouped into four types: (1) establishment, (2) designated federal entity (DFE), (3) other permanent, and (4) special. Establishment (33 of 74) and DFE (32) IGs are governed by the Inspector General Act of 1978, as amended, whereas other permanent (7) and special (2) IGs are governed by separate statutes. Statutory authorities and requirements can differ among the four IG types, resulting in varied levels of independence, transparency, and accountability.



Statutory IGs play a key role in government oversight, and Congress plays a key role in establishing the structures and authorities to enable that oversight. The structure and placement of IGs in government agencies allows OIG personnel to develop the expertise necessary to conduct in-depth assessments of agency programs. Further, IGs' dual reporting structure—to both agency heads and Congress—positions them to advise agencies on how to improve their programs and policies and to advise Congress on how to monitor and facilitate such improvement. Congress, therefore, may have an interest in ensuring that statutory IGs possess the resources and authorities necessary to fulfill their oversight roles.

As the federal government continues to evolve, so too does the role of IGs in government oversight. Agency programs and operations have increased in terms of breadth, complexity, and interconnectedness. Consequently, IGs may face increasing demand to complete statutorily mandated reviews of programs and operations that require (1) a broader focus on program performance and effectiveness in addition to waste, fraud, and abuse; (2) analysis of specialty or technical programs, possibly in emerging policy areas; and (3) use of more complex analytical methods and tools. Congress may wish to consider several options regarding IG structures, functions, and coordination as the role of IGs in government oversight evolves.

## Issues for Congress

- *Independence.* Concept of IG independence, including what constitutes independence, whether IGs possess adequate levels of independence, and the appropriate balance between independence and agency needs.

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- *Appointment and Removal Method.* Potential impact of appointment and removal on IG independence and effectiveness, both directly (whether a particular method provides more independence) and indirectly (IG vacancies and independence of acting IGs).
  - *Audit Follow-Up and Oversight of IG Recommendations.* Tracking and resolving open IG recommendations and enhancing audit follow-up procedures.
  - *Workforce Composition and Skills.* Evolution of skill sets held by OIG personnel and further diversifying the mix of skills beyond auditing and investigations to include specialty areas (such as cybersecurity and information technology).
  - *IG Effectiveness.* IG analytical focus on program outputs versus program outcomes and potential impact on IG effectiveness.
  - *CIGIE Structure and Functions.* Potential changes to CIGIE's structure and operations to enhance coordination and oversight of the IG community, such as enhancing the peer review process, tracking and refining statutory reporting requirements, bolstering data analysis capabilities, and exploring resource sharing opportunities across the IG community.

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## Establishment of Statutory IGs

Statutory inspectors general (IGs) are intended to be independent, nonpartisan officials who prevent and detect waste, fraud, abuse, and mismanagement within federal departments and agencies. To execute their missions, IGs lead offices of inspector general (OIGs) that conduct audits, investigations, and other evaluations of agency programs and operations and produce recommendations to improve them. Statutory IGs exist in more than 70 federal entities, including departments, agencies, boards, commissions, and government-sponsored enterprises.

## Brief History of Statutory IGs Until 1978

The origins of the modern-day IGs can be traced back to the late 1950s, with the statutory establishment of an “IG and Comptroller” for the Department of State in 1959 and administrative creation of an IG for the Department of Agriculture.<sup>1</sup> Prior to the establishment of IGs in the federal government, agencies often employed internal audit and investigative units to combat waste, fraud, and abuse.<sup>2</sup>

Congress established the first statutory IG that resembles the modern-day model in 1976 for the Department of Health, Education, and Welfare (HEW; now the Department of Health and Human Services).<sup>3</sup> Congressional investigations uncovered widespread inefficiencies and mismanagement of the department’s programs and operations, as well as weaknesses within the department’s audit and investigative units.<sup>4</sup> The House Committee on Government Operations investigative report recommended, among other things, that the Secretary of HEW place all audit

<sup>1</sup> Congress established the Department of State “Inspector General and Comptroller” in 1959 (P.L. 86-108), and the Secretary of Agriculture administratively created an IG in 1962. These two IGs have been described as early prototypes for modern-day IGs. For more information on the history of IGs, see Paul Light, *Monitoring Government, Inspectors General and the Search for Accountability* (Washington, DC: Brookings Institution, 1993), pp. 23-43.

<sup>2</sup> See, for example, U.S. Congress, House Committee on Government Operations, Subcommittee on Intergovernmental Relations and Human Resources, *Establishment of Offices of Inspectors General*, hearings on H.R. 2819 and H.R. 4184, 95<sup>th</sup> Cong., 1<sup>st</sup> sess., May 17, 24; June 1, 7, 13, 21, 29; and July 25, 27 (Washington, DC: GPO, 1977), pp. 478-728.

<sup>3</sup> P.L. 94-505, §401(h).

<sup>4</sup> See, for example, U.S. Congress, House Committee on Government Operations, *Department of Health, Education, and Welfare (Prevention and Detection of Fraud and Program Abuse), Tenth Report*, 94<sup>th</sup> Congress, 2<sup>nd</sup> sess., January 26, 1976, H.Rept. 94-786 (Washington, DC: GPO, 1976).

and investigation units “under the direction of a single official who reports directly to the Secretary and has no program operating responsibilities” who would be responsible for identifying “serious problems” and “lack of progress in correcting such problems.”<sup>5</sup> Congress ultimately established the HEW IG under this model.<sup>6</sup> Congress also established the Department of Energy IG under a similar model in 1977.<sup>7</sup>

## **Inspector General Act of 1978**

The establishment of the HEW and Department of Energy IGs laid the groundwork for Congress to create additional statutory IGs through the Inspector General Act of 1978 (hereinafter IG Act).<sup>8</sup> According to the Senate Committee on Governmental Affairs report that accompanied the bill that became law, the committee believed that extending the IG concept to more agencies would ultimately improve government programs and operations.<sup>9</sup> The committee further identified IG independence from agency management as a key characteristic in fostering such improvements.<sup>10</sup>

### **Central Tenets of the IG Act**

The IG Act initially created 12 IGs for federal “establishments” and provided a blueprint for IG authorities and responsibilities.<sup>11</sup> The act laid out three primary purposes for IGs:

1. conduct audits and investigations of programs and operations of their affiliated federal entities;<sup>12</sup>
2. recommend policies that promote the efficiency, economy, and effectiveness of agency programs and operations, as well as preventing and detecting waste, fraud, and abuse; and
3. keep the affiliated entity head and Congress “fully and currently informed” of fraud and “other serious problems, abuses, and deficiencies” in such programs and operations, as well as progress in implementing related corrective actions.<sup>13</sup>

### **Evolution of the IG Act**

Congress has substantially amended the IG Act three times since its enactment, as described below.<sup>14</sup> The amendments generally aimed to expand the number of statutory IGs and enhance their independence, transparency, and accountability.

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<sup>5</sup> *Ibid.*, p. 11.

<sup>6</sup> U.S. Congress, House Committee on Government Operations, report to accompany H.R. 15390, 94<sup>th</sup> Congress, 2<sup>nd</sup> sess., H.Rept. 94-1573 (Washington, DC: GPO, 1976).

<sup>7</sup> P.L. 95-91, §208.

<sup>8</sup> P.L. 95-452; The IG Act, as amended, is listed in 5 U.S.C. Appendix (IG Act), which is accessible at <http://uscode.house.gov/view.xhtml?path=/prelim@title5/title5a/node20&edition=prelim>.

<sup>9</sup> U.S. Congress, Senate Committee on Governmental Affairs, report to accompany H.R. 8588, 95<sup>th</sup> Congress, 2<sup>nd</sup> sess., August 8, 1978, S.Rept. 95-1071 (Washington, DC: GPO, 1978), pp. 6-8.

<sup>10</sup> *Ibid.*

<sup>11</sup> Federal “establishments” consist of cabinet-level departments and larger agencies in the executive branch. Establishment IGs are appointed by the President by and with the advice and consent of the Senate.

<sup>12</sup> *Affiliated federal entity* refers to an entity within the scope of an IG’s jurisdiction. For example, the Department of Homeland Security and its components are considered an “affiliated federal entity” of the department’s IG.

<sup>13</sup> 5 U.S.C. Appendix (IG Act) §2.

<sup>14</sup> In addition, the Homeland Security Act of 2002 vested certain OIGs with law enforcement authorities, including the

- **The Inspector General Act Amendments of 1988 (P.L. 100-504)** expanded the total number of statutory IGs, particularly by authorizing additional establishment IGs and creating a new category of IGs for “designated federal entities” (DFEs).<sup>15</sup> The act also established a uniform salary rate and separate appropriations accounts for each establishment IG. Further, the act added several new semiannual reporting requirements for IGs, such as a requirement for IGs to provide a list of each audit report issued during the reporting period. Finally, the law required external peer reviews of OIGs, during which a federal “audit entity” reviews each OIG’s internal controls and compliance with audit standards.
- **The Inspector General Reform Act of 2008 (P.L. 110-409)** established a new Council of Inspectors General on Integrity and Efficiency (CIGIE) to coordinate and oversee the IG community, including an Integrity Committee to investigate alleged IG wrongdoing. The law also increased the uniform salary rate for establishment IGs and established a salary formula for DFE IGs. The act also provided additional authorities and protections to enhance the independence of IGs, such as budget protections, access to independent legal counsel, and advanced congressional notification for the removal or transfer of IGs. Finally, the act further amended IG semiannual reporting obligations and required OIG websites to include all completed audits and reports.
- **The Inspector General Empowerment Act of 2016 (P.L. 114-317)** aimed to enhance IG access to and use of agency records. The act exempted IGs from the Computer Matching and Privacy Protection Act (CMPPA),<sup>16</sup> which is intended to allow IGs to conduct computerized data comparisons across different agency automated record systems without restrictions in the law.<sup>17</sup> The act also directed CIGIE to resolve jurisdictional disputes between IGs and altered the membership structure and investigatory procedures of the CIGIE Integrity Committee. Regarding transparency and accountability, the act required IGs to submit any documents containing recommendations for corrective action to agency heads and congressional committees of jurisdiction, as well as any Member of Congress or other individuals upon request.

## Structure of the IG Community

### Types of IGs

Statutory IGs may be grouped into four types: (1) establishment, (2) DFE, (3) other permanent, and (4) special.<sup>18</sup> Federal laws explicitly define the first two types of IGs but not the latter two

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power to (1) carry a firearm; (2) make arrests without a warrant; and (3) seek and execute warrants for arrest, search of premises, or seizure of evidence. See P.L. 107-296, §812; listed in 5 U.S.C. Appendix (IG Act) §6(f).

<sup>15</sup> DFEs consist primarily of smaller entities, such as commissions, boards, and government-sponsored enterprises (e.g., National Science Foundation and Legal Services Corporation). DFE IGs are appointed by the affiliated entity heads.

<sup>16</sup> The CMPPA is codified in 5 U.S.C. §552a.

<sup>17</sup> The IG exemption from the CMPPA is listed in 5 U.S.C. Appendix (IG Act) §6(j). For more information on the exemption, see CIGIE, “Guide to Inspector General Empowerment Act’s Computer Matching Exemption,” June 2017, [https://www.ignet.gov/sites/default/files/files/CMA%20Exemption%20Overview%20Guidance%20\(June%202017\).pdf](https://www.ignet.gov/sites/default/files/files/CMA%20Exemption%20Overview%20Guidance%20(June%202017).pdf).

<sup>18</sup> The types do not include statutory IGs for certain U.S. Armed Forces—the Army, Air Force, and Navy. (The



types, though stakeholders sometimes describe IGs in this way. Consequently, this report groups IGs into the four types based on criteria that are commonly used to distinguish between IGs, including authorizing statute, appointment method, affiliated federal entity and the branch of government in which it is located, oversight jurisdiction, and oversight duration. **Table 1** describes each IG type according to these criteria.

**Table 1. Distinguishing Characteristics of Statutory IG Types**

Feature	Establishment IG	DFE IG	Other Permanent IG	Special IG
Authorizing statute	IG Act		Individual statutes outside of the IG Act	
Appointment method	President, with the advice and consent of the Senate	Agency head	President, with the advice and consent of Senate <i>or</i> agency head	President, with the advice and consent of Senate <i>or</i> President alone
Affiliated federal entity	Cabinet departments, cabinet-level agencies, and larger agencies in the executive branch	Smaller entities (e.g., boards, commissions, and government-sponsored enterprises) Certain intelligence agencies within DOD	Certain legislative branch agencies Certain intelligence agencies outside of DOD	N/A. Not expressly affiliated with a particular federal entity
Oversight jurisdiction	Authority to oversee the programs and operations of an affiliated entity or entities			Authority to oversee federal programs, operations, or funds irrespective of the affiliated entity
Oversight duration	Permanent (no sunset date)			Temporary (allowed to sunset)

**Source:** CRS analysis of the Inspector General Act of 1978, as amended, and authorizing statutes for other IGs.

**Notes:** IGs can be grouped into types other than those listed based on a different set of criteria.

## Composition of Statutory IGs

As of January 2019, 74 statutory IGs operated in the federal government.<sup>19</sup> The IG Act governs 65 IGs, including 33 establishment and 32 DFE IGs. The remaining nine IGs are governed by individual statutes outside the IG Act, including seven other permanent and two special IGs (**Figure 1**). Five out of seven other permanent IGs operate for legislative branch agencies—the Architect of the Capitol (AOC), Government Publishing Office (GPO), Government Accountability Office (GAO), Library of Congress (LOC), and U.S. Capitol Police (USCP). The remaining two operate for executive branch intelligence agencies—the Central Intelligence Agency (CIA) and Intelligence Community (IC). The two special IGs include those for

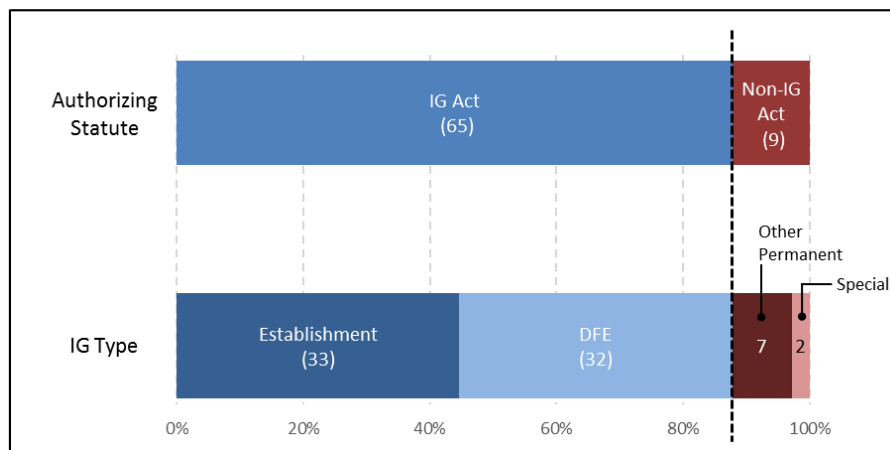
Department of Homeland Security IG oversees the U.S. Coast Guard.) Further, the categories do not include nonstatutory IGs. For example, the House of Representatives IG is authorized pursuant to House Rule II, Clause 8. See CRS In Focus IF11024, *Office of the House of Representatives Inspector General*, by Jacob R. Straus.

<sup>19</sup> This number does not reflect statutory IGs that have been abolished.

Afghanistan Reconstruction (SIGAR) and the Troubled Asset Relief Program (SIGTARP).<sup>20</sup> Appendix A lists current statutory IGs by type.

**Figure 1. Statutory IGs by Type and Authorizing Statute**

As of January 2019



**Source:** CRS.

**Notes:** The figure does not include IGs for certain U.S. Armed Forces—the Air Force, Army, and Navy. (The Department of Homeland Security IG, which is included in the figure, oversees the U.S. Coast Guard.) While these IGs exist in statute, their structure and authorities differ significantly from other statutory IGs and are beyond the scope of this report. Further, the figure does not include nonstatutory IGs, such as the IG for the House of Representatives.

## Distribution of IGs Across Federal Entities

The majority of IGs oversee the activities of a single affiliated federal entity and its components. For example, the IG for the Department of Homeland Security (DHS) is responsible for evaluating programs and operations of the entire department and its components, such as the Federal Emergency Management Agency. In some cases, however, multiple IGs operate for a single entity. In other cases, one IG operates for multiple entities.

### Multiple IGs Operating for a Single Federal Entity

Two cabinet-level departments are affiliated with more than one IG: the Department of Defense (DOD) and the Department of the Treasury. Both departments have a department-wide IG and one or more separate IGs for certain components (**Table 2**).

**Table 2. Multiple Statutory IGs Affiliated with a Single Federal Entity**

Department of Defense (DOD) IGs	Department of the Treasury (DOT) IGs
DOD (department-wide)	DOT (department-wide)
Defense Intelligence Agency	Treasury Inspector General for Tax Administration (Internal Revenue Service)
National Geospatial Intelligence Agency	
National Security Agency	
National Reconnaissance Office	

<sup>20</sup> SIGTARP (P.L. 110-343, §121) is listed in 12 U.S.C. §5231, and SIGAR (P.L. 110-181, §1229) is listed in 5 U.S.C. Appendix (IG Act) §8G note.

**Source:** CRS analysis of the Inspector General Act of 1978 and other statutes governing the listed IGs.

**Notes:** The table does not include IGs for U.S. Armed Forces within the DOD—the Air Force, Army, and Navy. While these military IGs exist in statute, their structure and authorities differ significantly from other statutory IGs and are beyond the scope of this report. In addition, the table does not include the Special Inspector General for Afghanistan Reconstruction (SIGAR) or the Special Inspector General for the Troubled Asset Relief Program (SIGTARP). Although SIGAR and SIGTARP might evaluate, respectively, DOD and DOT programs, they are not housed in or affiliated with the departments.

## Single IG Operating for Multiple Federal Entities

Congress has authorized some IGs to oversee the programs, operations, and activities of more than one entity either on a permanent or temporary basis. The expansion of an IG’s jurisdiction to include multiple entities has generally stemmed from agency reorganizations or congressional concern regarding oversight of a particular agency or program.

**Table 3** provides examples of IGs who have permanent expanded jurisdiction. In the past, Congress has also temporarily expanded IG jurisdiction to include operations of unaffiliated agencies. For example, Congress directed the GAO IG to serve concurrently as the IG for the Commission on Civil Rights for FY2012 and FY2013.<sup>21</sup> The Consolidated Appropriations Act, 2014, authorized the DOT IG to oversee the Metropolitan Washington Airports Authority (MWAA), a nonfederal entity.<sup>22</sup>

**Table 3. Examples of a Single Statutory IG Affiliated with Multiple Federal Entities**

Office of Inspector General	Affiliated federal entities	Description	Authorizing statute and U.S. Code citation
Intelligence Community (IC)	IC elements (defined in 50 U.S.C. §3003)	The IC IG is explicitly authorized to oversee the programs and activities under the purview of the Director of National Intelligence (DNI), who serves as the head of the IC. The IC IG replaced the now-defunct IG for the Office of the DNI, whose jurisdiction was limited to this office and who had substantially less authority and independence (P.L. 108-458, §1078).	P.L. 111-259, §405 Codified in 50 U.S.C. §3033
Board of Governors of the Federal Reserve System (FRB)	(1) FRB (2) Consumer Financial Protection Bureau (CFPB)	The FRB IG is explicitly authorized to oversee the CFPB, which resulted from CFPB’s establishment as a new “independent bureau” within the Federal Reserve System in 2010 under the Dodd-Frank Wall Street Reform and Consumer Protection Act.	P.L. 111-203, §§1011 and 1081 Listed in 5 U.S.C. Appendix (IG Act) §8G(a)(2).

<sup>21</sup> P.L. 112-55, Division B, Title IV, 125 Stat. 628; P.L. 113-6, Division B, Title IV, 128 Stat. 266; GAO, *OIG, Semiannual Report, April 1, 2014-September 30, 2014*, October 2014, p. 5, <https://www.gao.gov/assets/670/667257.pdf>.

<sup>22</sup> P.L. 113-76, Division L, Title I; 128 Stat. 600. It is unclear whether the IG has overseen MWAA beyond FY2015.

Office of Inspector General	Affiliated federal entities	Description	Authorizing statute and U.S. Code citation
Department of Transportation (DOT)	(1) DOT (2) National Transportation Safety Board (NTSB)	The DOT IG is expressly authorized to oversee the “financial management, property management, and business operations” of the NTSB. Congress expanded the IG’s jurisdiction to cover the NTSB in 2000 due to perceived lack of oversight of the board.	P.L. 106-424, §12 Codified in 49 U.S.C. §1137
Department of State (DOS)	(1) DOS (2) Broadcasting Board of Governors (BBG)	The DOS IG’s jurisdiction was expanded to include BBG upon the agency’s removal from the DOS and establishment as an independent agency in 1998 under the Foreign Affairs and Restructuring Act.	P.L. 105-277, Division G, Title XIII, Chapter 3, §1322 Listed in 22 U.S.C. §6209a
U.S. Aid for International Development (USAID)	(1) USAID (2) Overseas Private Investment Corporation	The USAID IG has explicit authority to “conduct reviews, investigations, and inspections of all phases of the Corporation’s activities and activities.”	P.L. 87-195, §239(e) Listed in 22 U.S.C. §2199(e)

**Source:** CRS analysis of statutes authorizing or expanding the oversight jurisdiction of each listed IG.

## Types of IG Reviews

IGs conduct reviews of government programs and operations. The genesis and frequency of such reviews can vary. An IG generally conducts a review in response to a statutory mandate, at the request of Congress or other stakeholders (e.g., the President), or upon self-initiation. Reviews can occur once or periodically. IG reviews can be grouped into three broad categories: (1) performance audits,<sup>23</sup> (2) inspections or evaluations, and (3) investigations.<sup>24</sup> **Table 4** and the sections below discuss certain differences between the review types in terms of three characteristics: quality standards, scope of analysis, and type of analysis.

**Table 4. Key Differences Among Common Types of IG Reviews**

Characteristic	Performance Audit <sup>a</sup>	Inspection or Evaluation	Investigation
Quality standards	<i>Generally Accepted Government Auditing Standards (GAGAS, also known as the Yellow Book)</i> <sup>b,c</sup>	<i>Quality Standards for Inspection and Evaluation</i> (also known as the <i>Blue Book</i> ) <sup>c,d</sup>	<i>Quality Standards for Investigations</i> <sup>c,e</sup>
Type of analysis	Programmatic (compliance, efficiency and effectiveness, internal control, prospective analysis) <sup>f</sup>		Nonprogrammatic (individual misconduct)
Scope of analysis	Entire agency program or operation	Specific aspect of a program or operation or a specific agency facility	Actions of a government employee, contractor, or grantee

**Source:** CRS analysis of laws, regulations, and administrative directives governing statutory IGs.

<sup>23</sup> OIG audits can be divided into two subcategories: performance and financial. Financial audits are beyond the scope of this report.

<sup>24</sup> OIG investigations can be divided into two subcategories: criminal and administrative. IGs also perform other types of reviews outside of these three categories. For example, the U.S. Postal Service IG periodically issues white papers on certain topics, which are accessible at <https://www.uspsig.gov/document-type/white-papers>.

**Notes:** The table does not reflect all differences among audits, inspections or evaluations, and investigations. In addition, differences in the “scope of analysis” between a performance audit and inspection or evaluation vary and depend on the issue being evaluated. In some cases, the scope of analysis might be similar:

- a. In addition to performance audits, IGs must conduct, or hire an independent external auditor to conduct, audits of agency financial statements (commonly referred to as a financial audit). See 31 U.S.C. §3521(e). Financial audits are beyond the scope of this report.
- b. The U.S. Government Accountability Office (GAO) issues a publication containing the GAGAS, which is accessible at <https://www.gao.gov/yellowbook/overview>.
- c. The Council of Inspectors General on Integrity and Efficiency (CIGIE) issues *Quality Standards for Federal Offices of Inspectors General*, known as the *Silver Book*, which apply to all IG reviews. The standards are accessible at <https://www.ignet.gov/sites/default/files/files/Silver%20Book%20Revision%20-%208-20-12r.pdf>.
- d. These CIGIE-issued standards are accessible at <https://www.ignet.gov/sites/default/files/files/iestds12.pdf>.
- e. These CIGIE-issued standards are accessible at <https://www.ignet.gov/sites/default/files/files/invrpg1211appi.pdf>. Criminal investigations conducted by OIGs with statutory law enforcement authority are also governed by guidelines established by the Attorney General. See U.S. Department of Justice, *Guidelines for OIGs With Statutory Law Enforcement Authority*, December 2003, <https://www.ignet.gov/sites/default/files/files/agleguidelines.pdf>.
- f. GAO’s *Yellow Book* identifies and defines four categories of performance audit objectives: (1) program effectiveness and results, (2) internal control, (3) compliance, and (4) prospective analysis. See GAO, *Government Auditing Standards, 2018 Revision*, GAO-18-568G, pp. 10-14, <https://www.gao.gov/assets/700/693136.pdf>.

## Quality Standards

IG reviews are governed by different quality standards. IG audits are subject to the generally accepted government auditing standards (GAGAS) developed by GAO.<sup>25</sup> Inspections or evaluations and investigations, by contrast, are governed by separate standards developed by the CIGIE.<sup>26</sup> While several standards are identical or similar across the three review types, the requirements to meet those standards differ by type. For example, one GAO report noted that IG audits are “subject to more depth in the requirements for levels of evidence and documentation supporting findings” than IG inspections.<sup>27</sup>

### IG Audits vs. Inspections or Evaluations: Examples of Differences in the Quality Control Standard

Both IG audits and inspections or evaluations must adhere to a “quality control” standard, but the requirements to meet the standard differ between the two types of reviews.

**IG audit:** GAO’s *Yellow Book* requires an audit organization to, among other things (1) monitor the quality of audits and summarize the results of the monitoring process annually; and (2) identify a supervisor to manage an audit and fulfill specific responsibilities, such as tracking the progress of the audit and reviewing work performed by the audit team to ensure compliance with GAGAS.<sup>28</sup>

<sup>25</sup> See GAO, “The Yellow Book,” <https://www.gao.gov/yellowbook/overview>.

<sup>26</sup> CIGIE’s *Quality Standards for Inspection and Evaluation* are outlined in the *Blue Book* and are accessible at <https://www.ignet.gov/content/quality-standards>. CIGIE’s *Quality Standards for Investigations* are accessible at <https://www.ignet.gov/sites/default/files/files/invrpg1211appi.pdf>.

<sup>27</sup> GAO, *Inspectors General, Activities of the Department of State Office of the Inspector General*, GAO-07-138, March 2007, p. 19, <https://www.gao.gov/assets/260/258069.pdf>.

<sup>28</sup> GAO, *Government Auditing Standards 2018 Revision*, July 2018, GAO-18-568G, pp. 89-91, <https://www.gao.gov/assets/700/693136>.

**IG inspection or evaluation:** CIGIE's *Blue Book* does not require annual reports on quality monitoring.<sup>29</sup> Further, the supervisory requirements for an inspection call only for “adequate supervision” that ensures that all inspection team members understand the purpose and goals of the inspection.

## Type of Analysis

IG audits and inspections or evaluations include programmatic analysis, which may involve analyses related to the compliance, internal control, or efficiency and effectiveness of agency programs and operations.<sup>30</sup> They also often include recommendations to improve such programs and operations. IG investigations, by contrast, typically include nonprogrammatic analysis and instead focus primarily on alleged misuse or mismanagement of an agency’s programs, operations, or resources by an individual government employee, contractor, or grantee. Unlike audits and inspections or evaluations, IG investigations can directly result in disciplinary actions that are criminal (e.g., convictions and indictments) or administrative (e.g., monetary payments, suspension/debarment, or termination of employment).

## Scope of Analysis

Performance audits may be broader in scope compared to inspections or evaluations and investigations. A performance audit may assess the agency-wide implementation of a program across multiple agency components and facilities. An inspection or evaluation, by contrast, may sometimes focus on a specific aspect of a program or the operations of a particular agency facility or geographic region containing agency facilities. Investigations typically focus on the actions of a specific agency employee, grantee, or contractor for alleged misconduct or wrongdoing.

### Example of Differences in Units of Analysis Among an IG Performance Audit, Inspection or Evaluation, and Investigation

The Department of Veterans Affairs (VA) IG conducted several reviews of veteran wait times and access to care that varied in scope and analysis, such as

- an *audit* of veteran wait times and timely access to care at multiple VA medical facilities across one Veterans Integrated Service Network (VISN);<sup>31</sup>
- an *inspection* of veteran access to care and quality of care—including wait times—at one VA medical facility within a specific VISN;<sup>32</sup> and
- an *investigation* of employees at one VA medical facility within a specific VISN for allegedly manipulating wait times to meet scheduling appointment goals.<sup>33</sup>

<sup>29</sup> CIGIE, *Quality Standards for Inspection and Evaluation*, January 2012, p. 8.

<sup>30</sup> GAO’s *Yellow Book* identifies and defines four categories of performance audit objectives: (1) program effectiveness and results, (2) internal control, (3) compliance, and (4) prospective analysis. The *Yellow Book* further states that these objectives can be pursued simultaneously within a single audit. See GAO, *Government Auditing Standards, 2018 Revision*, GAO-18-568G, pp. 10-14, <https://www.gao.gov/assets/700/693136.pdf>.

<sup>31</sup> VA OIG, Veterans Health Administration, Audit of Veteran Wait Time Data, Choice Access, and Consult Management in VISN 6, March 2, 2017, <https://www.va.gov/oig/pubs/vaoig-16-02618-424.pdf>.

<sup>32</sup> VA OIG, *Healthcare Inspection, Scheduling, Staffing, and Quality of Care Concerns at the Alaska VA Healthcare System, Anchorage, Alaska*, July 7, 2015, <https://www.va.gov/oig/pubs/VAOIG-14-04077-405.pdf>.

<sup>33</sup> VA OIG, Administrative Summary of Investigation by the VA Office of the Inspector General in Response to Allegations Regarding Patient Wait Times, VA Medical Center in Salisbury, North Carolina, October 4, 2016, <https://www.va.gov/oig/pubs/admin-reports/wait-times-14-02890-255.pdf>.

## IG Statutory Authorities and Requirements

IGs possess many authorities and responsibilities to carry out their respective missions, many of which aim to establish and protect IG independence from undue influence. For example, the IG Act grants covered IGs with broad authority to

- conduct audits and investigations, which cannot be prohibited or prevented by the affiliated entity head (except, in some cases, for national security reasons);
- access directly the records and information related to the affiliated entity's programs and operations;
- request assistance from other federal, state, and local government agencies;
- subpoena information and documents;
- administer oaths when conducting interviews;
- independently hire staff and manage their own resources; and
- receive and respond to complaints of waste, fraud, and abuse from agency employees, whose identity is to be protected.<sup>34</sup>

The subsections below and **Appendix B** compare selected statutory authorities and requirements by IG type: establishment, DFE, other permanent, and special. However, the manner in which each IG interprets and implements these authorities and responsibilities can vary widely, thus potentially resulting in substantially different structures, operations, and activities across IGs.

The discussion in this section focuses on IG authorities and requirements that are *expressly mandated* in the applicable authorizing statute.<sup>35</sup> Although special IGs and other permanent IGs in the legislative branch are not created under the IG Act, their authorizing statutes incorporate—and therefore make applicable—certain provisions of the IG Act. These “incorporation by reference” provisions are subject to some interpretation. Even when the authorizing statute for a special IG or other permanent IG in the legislative branch clearly and unequivocally incorporates a specific provision of the IG Act, interpretation may vary regarding whether subsequent amendments to that incorporated provision apply to the IGs if they occurred *after* the enactment of the IG's authorizing statute.<sup>36</sup>

## Oversight Jurisdiction

As mentioned previously, establishment, DFE, and other permanent IGs generally do not have cross-agency jurisdiction and therefore evaluate only the programs, operations, and activities of

<sup>34</sup> 5 U.S.C. Appendix (IG Act) §§3(a), 6(a), 6(e), and 7. Authorities and requirements may differ for IGs not explicitly covered by the IG Act. For more information on selected IG authorities and requirements, see **Appendix B**.

<sup>35</sup> Where possible, the subsections provide examples of instances in which IGs have elected to comply with a nonmandatory provision.

<sup>36</sup> Although an argument can be made that the incorporation by reference includes subsequent amendments to the referenced statute, it would also appear that traditional canons of statutory interpretation may suggest that the proper construction of the authorizing statutes is that they incorporate only the text of the referenced provisions as they existed at the time the applicable authorizing statute was adopted. See *Hassett v. Welch*, 303 U.S. 303, 314 (1938), wherein the court stated, “Where one statute adopts the particular provisions of another by a specific and descriptive reference to the statute or provisions adopted, the effect is the same as though the statute or provisions adopted had been incorporated bodily into the adopting statute.... Such adoption takes the statute as it exists at the time of adoption and does not include subsequent additions or modifications of the statute so taken unless it does so by express intent.” Legal interpretation of the treatment of provisions incorporated by reference are beyond the scope of this report.



their respective affiliated agencies. For example, the DHS IG must annually evaluate the department's information security programs and practices, but it does not evaluate such programs and practices for another department.<sup>37</sup> Oversight jurisdiction, however, can extend to nonfederal third parties, such as contractors and grantees. For example, the IG for the National Archives and Records Administration audited the agency's management of grant fund use by certain grantees.<sup>38</sup>

Special IGs, by comparison, possess express cross-agency jurisdiction: They are authorized to evaluate a specific program, operation, or activity irrespective of the agencies implementing them. For instance, SIGAR oversees all federal funding for programs and operations related to Afghanistan reconstruction, which involves multiple agencies. SIGAR, therefore, may examine government-wide efforts to train, advise, and assist the Afghan National Defense and Security Forces.<sup>39</sup> The DOD IG, by contrast, may examine only reconstruction activities under DOD's purview, such as the military's efforts to train, advise, and assist the Afghan Air Force.<sup>40</sup>

## Appointment Method

Most (72 of 74) statutory IGs must be appointed “without regard to political affiliation” and “on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.”<sup>41</sup> Statutory IGs are appointed under one of three different methods:

1. by the President, by and with the advice and consent of the Senate;
2. by the President alone; or
3. by the head of the affiliated federal entity.

As shown in **Table 5**, a total of 37 out of 74 statutory IGs are appointed by the President, 36 of which—establishment IGs (33), other permanent IGs in the executive branch (2), and SIGTARP—require Senate confirmation. The IG for SIGAR is the only statutory IG appointed by the President alone without Senate confirmation. In addition, 37 out of 74 IGs are appointed by the heads of their affiliated federal entities: DFE (32) and other permanent IGs in the legislative branch (5). Unlike other IGs, the USCP and AOC IGs must be appointed by their affiliated entity heads in consultation with other permanent IGs in the legislative branch.<sup>42</sup>

<sup>37</sup> This assessment is required by the Federal Information Security Modernization Act. See 44 U.S.C. §3555.

<sup>38</sup> National Archives and Records Administration OIG, *Audit of NARA's Oversight of Selected Grantees' Use of Grant Funds*, February 16, 2011, <https://www.archives.gov/files/oig/pdf/2011/audit-report-11-03.pdf>.

<sup>39</sup> See, for example, SIGAR, *Reconstructing the Afghan National Defense and Security Forces: Lessons Learned from the U.S. Experience in Afghanistan*, September 2017, <https://www.sigar.mil/pdf/lessonslearned/SIGAR-17-62-LL.pdf>.

<sup>40</sup> DOD OIG, *Progress of U.S. and Coalition Efforts to Train, Advise, and Assist the Afghan Air Force*, January 4, 2018, <https://media.defense.gov/2018/Jan/29/2001870851/-1/-1/1/DODIG-2018-058-REDACTED.PDF>.

<sup>41</sup> 5 U.S.C. Appendix (IG Act) §§ 3(a) and §8G(c) (establishment and DFE IGs); 2 U.S.C. §1808(c)(1)(a) (AOC IG); 2 U.S.C. §1909(b)(1) (USCP IG); 2 U.S.C. §185(c)(1)(a) (LOC IG); 41 U.S.C. §3902(a) (GPO IG); 31 U.S.C. §705(b)(1) (GAO IG). Special IGs are not explicitly required to be appointed “without regard to political affiliation.”

<sup>42</sup> 2 U.S.C. §1808(c)(1)(A) (AOC IG); 2 U.S.C. §1909(b)(1) (USCP IG).



**Table 5. Appointment Methods for Statutory IGs**

Authorizing Statutes	President Nominates, Senate Confirms	Agency or Entity Head Appoints	President Appoints	Total
Inspector General Act of 1978, as amended	33 <sup>a</sup>	32 <sup>b</sup>	0	65
Other statutes	3 <sup>c</sup>	5 <sup>d</sup>	1 <sup>e</sup>	9
<b>Total</b>	<b>36</b>	<b>37</b>	<b>1</b>	<b>74</b>

**Source:** CRS analysis of authorizing statutes for the listed IGs. The table does not include statutory IGs that have been abolished.

- a. Includes all establishment IGs. See 5 U.S.C. Appendix (IG Act) §§3 and 12(2).
- b. Includes all DFE IGs. See 5 U.S.C. Appendix (IG Act) §8G(c).
- c. Includes the IGs for the Central Intelligence Agency, the Intelligence Community, and the Special IG for the Troubled Asset Relief Program. See, respectively, 50 U.S.C. §3517(b)(1), 50 U.S.C. §3033(c)(1), and 12 U.S.C. §5231(b)(1).
- d. Includes the IGs for the Architect of the Capitol, Government Accountability Office, Government Publishing Office, Library of Congress, and the U.S. Capitol Police. See, respectively, 2 U.S.C. §1808(c)(1)(A), 31 U.S.C. §705(b)(1), 44 U.S.C. §3902(a), 2 U.S.C. §185(c)(1)(A), and 2 U.S.C. §1909(b)(1).
- e. Includes the Special IG for Afghanistan Reconstruction. See 5 U.S.C. Appendix (IG Act) §8G note.

## Removal Method

IGs can be removed or transferred to another position under one of two different methods: (1) by the President or (2) by the head of the affiliated federal entity. Establishment, special, and other permanent IGs in the executive branch are removable or transferrable by the President.<sup>43</sup> In contrast, DFE IGs and other permanent IGs in the legislative branch are removable or transferrable by the heads of their affiliated entities.<sup>44</sup> Additional procedures are required to remove or transfer certain IGs as follows:

- **DFE IG headed by a board, committee, or commission.** Removal or transfer upon written concurrence of a two-thirds majority of the members of the board, committee, or commission.<sup>45</sup>
- **U.S. Postal Service (USPS) IG.** Removal upon written concurrence of at least seven out of nine postal governors and only “for cause” (e.g., malfeasance or neglect of duty).<sup>46</sup>
- **USCP IG.** Removal upon a “unanimous vote” of all voting members on the Capitol Police Board.<sup>47</sup>

In most cases, Congress must receive advanced notice of an IG’s removal or transfer. The removal authority must communicate to both houses of Congress, in writing, the reasons for the

<sup>43</sup> 5 U.S.C. Appendix (IG Act) §§3(b) (establishment IGs); 5 U.S.C. Appendix (IG Act) §8G note (SIGAR); 12 U.S.C. §5231(b)(4) (SIGTARP); 50 U.S.C. §3033(c)(4) (IC IG); 50 U.S.C. §3517(b)(6) (CIA IG).

<sup>44</sup> 5 U.S.C. Appendix (IG Act) §8G(e) (DFE IGs); 2 U.S.C. §1808(c)(2) (AOC IG), 2 U.S.C. §1909(b)(3) (USCP IG); 31 U.S.C. §705(b)(2) (GAO IG), 44 U.S.C. §3902(b) (GPO IG), 2 U.S.C. §185(c)(2) (LOC IG).

<sup>45</sup> 5 U.S.C. Appendix (IG Act) §8G(e)(1).

<sup>46</sup> 39 U.S.C. §202(e).

<sup>47</sup> 2 U.S.C. §1909(b)(3).

IG's removal or transfer 30 days in advance for establishment, DFE, and special IGs—representing 67 out of 74 IGs.<sup>48</sup>

Advanced notice requirements for removal vary across other permanent IGs. Authorizing statutes for other permanent IGs in the executive branch require the same 30-day advanced written notice of removal but only to the congressional intelligence committees. Authorizing statutes for the other permanent IGs in the legislative branch do not explicitly require advanced notice and instead require written communication to Congress explaining the reason for removal.<sup>49</sup> Advanced notice to Congress is not explicitly required for transfers of other permanent IGs.

## Term Limits

All but two statutory IGs may serve indefinitely. The USPS and USCP IGs, however, are subject to term limits. The USPS IG is appointed to a seven-year term and can be reappointed for an unlimited number of terms. The USCP IG is appointed to serve a five-year term for up to three terms (15 years total).<sup>50</sup>

## Transparency of Budget Formulation and Proposals

Establishment, DFE, and other permanent IGs in the executive branch are required to develop annual budget estimates that are distinct from the budgets of their affiliated entities. Further, such budget estimates must include some transparency into the requested amounts before agency heads and the President can modify them.<sup>51</sup> The budget formulation and submission process for the aforementioned IG types includes the following key steps:

- **IG budget estimate to affiliated agency head.** The IG submits an annual budget estimate for its office to the affiliated entity head. The estimate must include (1) the aggregate amount for the IG's total operations, (2) a subtotal amount for training needs, and (3) resources necessary to support CIGIE.
- **Agency budget request to President.** The affiliated entity head compiles and submits an aggregated budget request for the IG to the President. The budget request includes any comments from the IG regarding the entity head's proposal.
- **President's annual budget to Congress.** The President submits an annual budget to Congress. The budget submission must include (1) the IG's original budget that was transmitted to the entity head, (2) the President's requested amount for the IG, (3) the amount requested by the President for training of IGs, and (4) any comments from the IG if the President's amount would "substantially inhibit" the IG from performing his or her duties.<sup>52</sup>

This process arguably provides a level of budgetary independence from their affiliated entities, particularly by enabling Congress to perceive differences between the budgetary perspectives of IGs and affiliated agencies or the President. Governing statutory provisions outline the following

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<sup>48</sup> The 67 IGs include establishment, DFE, and special IGs.

<sup>49</sup> U.S.C. §1808(c)(2) (AOC IG), 31 U.S.C. §705(b)(2) (GAO IG), 44 U.S.C. §3902(b) (GPO IG), 2 U.S.C. §185(c)(2) (LOC IG); 2 U.S.C. §1909(b)(3) (USCP IG).

<sup>50</sup> 39 U.S.C. §202(e)(2)(a) (USPS IG); 2 U.S.C. §1909(b)(2) (USCP IG).

<sup>51</sup> 5 U.S.C. Appendix (IG Act) §§6(g) and 8G(g)(1) (establishment and DFE IGs); 50 U.S.C. §3033(n) (IC IG); and 50 U.S.C. §3517(f)(2) (CIA IG).

<sup>52</sup> *Ibid.*

submission process, although it is unclear whether every IG interprets the statute similarly. Notably, one congressional committee investigation questioned whether the President was consistently following the IG Act's requirements for transparency of IG budget formulation.<sup>53</sup>

Treatment of budget estimates for other permanent IGs in the legislative branch varies. The authorizing statutes for the USCP, LOC, and GAO IGs do not explicitly require the IGs to develop budget estimates that are distinct from the affiliated entity's budget request.<sup>54</sup> The extent to which these budget estimate requirements apply to the special IGs and the GPO and AOC IGs is unclear.<sup>55</sup> Some of these IGs have historically developed separate budget estimates.<sup>56</sup> In FY2018 and FY2019, the House and Senate Committees on Appropriation have called for legislative branch agency budget requests to include separate sections for IG budget estimates.<sup>57</sup>

## Appropriations

Federal laws explicitly provide establishment IGs and other permanent IGs in the executive branch a separate appropriations account for their respective offices.<sup>58</sup> This requirement provides an additional level of budgetary independence from the affiliated entity by preventing attempts to limit, reallocate, or otherwise reduce IG funding once it has been specified in law, except as provided through established transfer and reprogramming procedures and related interactions between agencies and the appropriations committees.<sup>59</sup>

Appropriations for DFE IGs and other permanent IGs in the legislative branch, in contrast, are part of the affiliated entity's appropriations account. Absent statutory separation of a budget account, the appropriations may be more susceptible to some reallocation of funds, although other protections may apply.<sup>60</sup> Authorizing statutes for special IGs do not explicitly require separate

<sup>53</sup> U.S. Congress, Senate Committee on Homeland Security and Governmental Affairs, *Undermining Independent Oversight*, minority staff report, no date [released August 15, 2018], p 2., <https://www.mccaskill.senate.gov/media-center/news-releases/mccaskill-report-documents-inadequate-funding-for-independent-government-watchdogs-in-administration-budget>.

<sup>54</sup> Authorizing statutes for the USCP, LOC, and GAO IGs do not incorporate the provision in Section 6 that contains these budgetary requirements, nor do they include language establishing similar requirements. See 2 U.S.C. §1909(d)(1) (USCP IG); 2 U.S.C. §185(d)(1) (LOC IG); and 31 U.S.C. §705 (GAO IG).

<sup>55</sup> Authorizing statutes for special IGs and the AOC and GPO IGs incorporate portions of Section 6 of the IG Act. However, it is unclear whether this incorporation extends the requirements to those IGs. See 2 U.S.C. §1808(d)(1) (AOC IG) and 44 U.S.C. §3903(a) (GPO IG); 12 U.S.C. §5231(d)(1) (SIGTARP); and 5 U.S.C. Appendix (IG Act) §8G note (SIGAR).

<sup>56</sup> See, for example, the SIGTARP FY2018 budget justification at <https://www.treasury.gov/about/budget-performance/CJ18/11.%20SIGTARP%20-%20FY%202018%20CJ.pdf> and the LOC FY2018 budget justification at <https://www.loc.gov/portals/static/about/reports-and-budgets/documents/budgets/fy2018.pdf#page=109>.

<sup>57</sup> U.S. Congress, Conference Committee, *Energy and Water Development and Related Agencies for the Fiscal Year Ending September 30, 2019, and For Other Purposes*, conference report to accompany H.R. 5895, 115<sup>th</sup> Cong., 2<sup>nd</sup> sess., September 10, 2018, H.Rept. 115-929 (Washington, DC: GPO, 2018), p. 201; and U.S. Congress, Senate Committee on Appropriations, report to accompany S. 1648, 115<sup>th</sup> Cong., 1<sup>st</sup> sess., July 27, 2017, S.Rept. 115-137 (Washington, DC: GPO, 2017), p. 5. For more information on legislative branch budget and appropriations, see CRS Report R45214, *Legislative Branch: FY2019 Appropriations*, by Ida A. Brudnick and Sarah J. Eckman.

<sup>58</sup> 31 U.S.C. §1105(a)(25); 50 U.S.C. §3517(f)(1) (CIA IG); 50 U.S.C. §3033(m) (IC IG).

<sup>59</sup> For more information on reprogramming and transfers, see CRS Report R43098, *Transfer and Reprogramming of Appropriations: An Overview of Authorities, Limitations, and Procedures*, by Michelle D. Christensen.

<sup>60</sup> For example, appropriations committees may choose to allocate funding to an IG in ways that would require advance notification of any attempt by an affiliated entity head to reprogram funds away from the IG to another purpose.

appropriations accounts, although in practice the President may propose, and Congress may fund, special IGs through separately listed accounts.<sup>61</sup>

## Reporting Requirements

Statutory IGs have various reporting obligations to Congress, the Attorney General, agency heads, and the public. Some reporting requirements are periodic, while others are triggered by a specific event. The subsections below highlight some of the required reports for statutory IGs.<sup>62</sup>

### Semiannual Report

The IG Act requires establishment and DFE IGs to issue semiannual reports that summarize the activities of their offices. For example, the reports must include a summary of each audit and inspection or evaluation report issued before the start of the reporting period that includes “outstanding unimplemented recommendations” and the aggregate potential cost savings of those recommendations.<sup>63</sup> The IG Act further requires DFE and establishment IGs to make semiannual reports available to the affiliated entity head, Congress, and the public, as follows:

- The *IG* submits report to the *affiliated entity head* by April 30 and October 31 each year.
- The *affiliated entity head* submits the report to the *appropriate congressional committees* within 30 days of receiving it. The report must remain unaltered, but it can include additional comments from the agency head.
- The *affiliated entity head* makes the report available to the *public* within 60 days of receiving it.<sup>64</sup>

Other permanent IGs must also issue semiannual reports, though required content can vary by IG.<sup>65</sup> For example, the semiannual report for the IC IG must include comparatively less information on OIG activities than establishment and DFE IGs. Further, the IC IG has an additional reporting requirement to certify whether the IG has had “full and direct access to all information” relevant to IG functions.<sup>66</sup> Special IGs are required to issue quarterly reports rather than semiannual reports, which must include a “detailed statement” of obligations, expenditures, and revenues associated with the programs, funds, and activities that they oversee.<sup>67</sup>

<sup>61</sup> For example, the President’s FY2019 budget submission included a separate account for SIGTARP. See U.S. Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2019, Appendix*, p. 930, <https://www.gpo.gov/fdsys/pkg/BUDGET-2019-APP/pdf/BUDGET-2019-APP-1-19.pdf>.

<sup>62</sup> Federal laws sometimes assign one-time or period reporting requirements on a specific policy area or subject. These requirements are beyond the scope of this report.

<sup>63</sup> 5 U.S.C. Appendix (IG Act) §5(a)(10).

<sup>64</sup> 5 U.S.C. Appendix (IG Act) §5(b).

<sup>65</sup> Authorizing statutes for other permanent IGs in the legislative branch (except the GAO IG) incorporate portions of Section 5 of the IG Act, which require IGs to issue semiannual reports. However, it is unclear whether this incorporation extends all elements of the semiannual report required by IG Act to these IGs. See 2 U.S.C. §1808(d)(1) (AOC IG); 2 U.S.C. §1909(c)(2) (USCP IG); 2 U.S.C. §185(d)(1) (LOC IG); and 44 U.S.C. §3903(a) (GPO IG). Authorizing statutes for the GAO IG and other permanent IGs in the executive branch do not incorporate Section 5 but establish separate semiannual reporting requirements. See 31 U.S.C. §705(e) (GAO IG); 50 U.S.C. §3033(k)(1) (IC IG); 50 U.S.C. §3517(d)(1) (CIA IG).

<sup>66</sup> 50 U.S.C. §3033(k)(1)(b)(v). A similar requirement applies to the CIA IG. See 50 U.S.C. §3517(d)(1)(D).

<sup>67</sup> 12 U.S.C. §5231(i)(1) (SIGTARP); 5 U.S.C. Appendix (IG Act) §8G note (SIGAR).

## Seven-Day Letter

Establishment, DFE, and most other permanent IGs (five out of seven) are required to immediately report to their affiliated entity heads any “particularly serious or flagrant problems, abuses or deficiencies relating to the administration of programs and operations” at their affiliated entities. The affiliated entity head must transmit the report unaltered to Congress within seven calendar days.<sup>68</sup> This type of report is commonly referred to as the “seven-day letter.” Authorizing statutes for the USCP and GAO IGs do not explicitly require issuance of seven-day letters, but they may do so in practice.<sup>69</sup> The extent to which such requirements apply to special IGs is unclear.<sup>70</sup>

## Top Management and Performance Challenges

The Reports Consolidation Act of 2000 requires IGs for executive branch agencies to annually identify the “most serious management and performance challenges” facing their affiliated agencies and to track the agency’s progress in addressing those challenges.<sup>71</sup> These are commonly referred to as top management and performance challenges (TMPCs). A covered IG must submit the statement to the affiliated entity head 30 days in advance of the entity head’s submission of the Annual Financial Report (AFR) or Performance and Accountability Report (PAR). The agency head must include the statement unaltered (but with any comments) in the entity’s AFR or PAR. IGs for government corporations in the executive branch, as well as special IGs and other permanent IGs in the legislative branch, are not explicitly required to identify TMPCs.<sup>72</sup> However, some of these IGs have elected to do so.<sup>73</sup> In April 2018, CIGIE released its first ever report on common TMPCs facing multiple agencies.<sup>74</sup>

## Transparency of IG Reports and Recommendations

Federal laws require varied levels of transparency for IG reports and related recommendations for corrective action. The IG Act requires the following for establishment and DFE IGs:

<sup>68</sup> 5 U.S.C. Appendix (IG Act) §§5(d) and 8G(g)(1) (establishment and DFE IGs); 50 U.S.C. §3033(k)(2) (IGIC); and 50 U.S.C. §3517(d)(2) (CIA IG). Authorizing statutes for the AOC, LOC, and GPO IGs clearly incorporate portions of Section 5 of the IG Act pertaining to the seven-day letter. See 2 U.S.C. §1808(d)(1) (AOC IG); 2 U.S.C. 185(d)(1) (LOC IG); and 44 U.S.C. §3903(a) (GPO IG).

<sup>69</sup> Authorizing statutes for the USCP and GAO IGs do not incorporate portions of Section 5 of the IG Act requiring the seven-day letter, nor do they establish similar requirements. See 2 U.S.C. §1909 (USCP IG); 31 U.S.C. §705 (GAO IG).

<sup>70</sup> Authorizing statutes for SIGAR and SIGTARP do not explicitly incorporate Section 5 of the IG Act, nor do they establish similar requirements. However, their authorizing statutes state that the IGs “shall also have the responsibilities and duties of inspectors general under the Inspector General Act of 1978,” which may include the seven-day letter. See 12 U.S.C. §5231(c)(3) (SIGTARP) and 5 U.S.C. Appendix (IG Act) §8G note (SIGAR).

<sup>71</sup> 31 U.S.C. §3516(d). In this context, *executive branch agency* is defined as a “department, agency, or instrumentality in the executive branch of the United States Government,” but it excludes government corporations defined in 31 U.S.C. §9101. See 31 U.S.C. §102 and 31 U.S.C. §3501.

<sup>72</sup> Ibid. 31 U.S.C. §9101 lists “Government corporations” that are exempt from issuing TMPCs.

<sup>73</sup> For example, SIGTARP has identified TMPCs since at least Q4 of FY2017. The reports are accessible at <https://www.sigtar.gov/Pages/Reports-Testimony-Home.aspx>.

<sup>74</sup> CIGIE, *Top Management and Performance Challenges Facing Multiple Federal Agencies*, April 2018, [https://www.oversight.gov/sites/default/files/oig-reports/CIGIE\\_Top\\_Challenges\\_Report\\_April\\_2018.pdf](https://www.oversight.gov/sites/default/files/oig-reports/CIGIE_Top_Challenges_Report_April_2018.pdf).

- **Public availability of semiannual reports.** Semiannual reports must be made available to the public “upon request and at a reasonable cost.”<sup>75</sup>
- **Audits and inspection or evaluation reports on OIG websites.** Audit, inspection, and evaluation reports must be posted on the OIG’s website within three days of submitting final versions of the report to the affiliated entity head.<sup>76</sup>
- **Documents containing recommendations on OIG websites.** Any “document making a recommendation for corrective action” must be posted on the OIG’s website within three days of submitting the final recommendation to the affiliated entity head.<sup>77</sup>

Application of these transparency requirements varies among other permanent IGs as follows:

- **Semiannual reports.** Four out of five other permanent IGs in the legislative branch are statutorily required to make semiannual reports available to the public in the same manner specified in the IG Act.<sup>78</sup> The GAO IG and other permanent IGs in the executive branch, by contrast, are not explicitly required to make the reports publicly available.<sup>79</sup>
- **Audits and inspections or evaluation reports on OIG websites.** Authorizing statutes for all seven other permanent IGs do not explicitly require the IGs to post individual audit, inspection, or evaluation reports on their respective OIG websites.<sup>80</sup>
- **Documents containing recommendations on OIG websites.** The GAO IG and other permanent IGs in the executive branch are not explicitly required to post documents containing recommendations on their respective OIG websites.<sup>81</sup> It is unclear whether the AOC, GPO, LOC, and USCP IGs must post such documents.<sup>82</sup> Some IGs have elected to post certain reports on their websites. For example, the GAO OIG website includes reports on audits and inspections or evaluations as well as semiannual and peer review reports.<sup>83</sup> By contrast, the USCP OIG website lists only peer review reports.<sup>84</sup>

<sup>75</sup> 5 U.S.C. Appendix (IG Act) §5(c).

<sup>76</sup> 5 U.S.C. Appendix (IG Act) §8M(b).

<sup>77</sup> 5 U.S.C. Appendix (IG Act) §4(e)(1)(C).

<sup>78</sup> Authorizing statutes for the AOC, GPO, LOC, and USCP IGs clearly incorporate portions of Section 5 pertaining to public availability of semiannual reports. See 2 U.S.C. §1808(d)(1) (AOC IG); 44 U.S.C. §3903(a) (GPO IG); 2 U.S.C. §185(d)(1) (LOG IG); and 2 U.S.C. §1909(c) (USCP IG).

<sup>79</sup> Authorizing statutes for the GAO, CIA, and IC IGs do not incorporate Section 5 of the IG Act, nor do they establish similar requirements. See 31 U.S.C. §705 (GAO IG); 50 U.S.C. §3033 (IC IG); and 50 U.S.C. §3517 (CIA IG).

<sup>80</sup> The authorizing statutes for the AOC, CIA, IC, GAO, GPO, LOC, and USCP IGs do not incorporate Section 8M of the IG Act, nor do they establish similar requirements. See 2 U.S.C. §1808 (AOC IG); 50 U.S.C. §3517 (CIA IG), 50 U.S.C. §3033 (IC IG) 44 U.S.C. §3903 (GPO IG); 2 U.S.C. §185 (LOC IG); and 2 U.S.C. §1909 (USCP IG).

<sup>81</sup> Authorizing statutes for the GAO, CIA, and IC IGs do not incorporate Section 4 of the IG Act, nor do they establish similar requirements. See 31 U.S.C. §705 (GAO IG); 50 U.S.C. §3033 (IC IG); and 50 U.S.C. §3517 (CIA IG).

<sup>82</sup> The authorizing statutes for the AOC, GPO, LOC, and USCP IGs incorporate portions of Section 4 of the IG Act. However, whether such incorporation extends requirements for documents with recommendations to be posted on OIG websites to these IGs is unclear. See 2 U.S.C. §1808(d)(1) (AOC IG); 44 U.S.C. §3903(a) (GPO IG); 2 U.S.C. §185(d)(1) (LOC IG); and 2 U.S.C. §1909(c) (USCP IG).

<sup>83</sup> GAO OIG, “Overview,” <https://www.gao.gov/ig/>.

<sup>84</sup> USCP OIG, “Office of the Inspector General,” <https://www.uscp.gov/the-department/office-inspector-general>.



Special IG reports are also subject to certain transparency requirements. SIGTARP’s authorizing statute requires the IG to make its quarterly reports available to the public, but the statute does not explicitly require those reports to be posted on a public website.<sup>85</sup> SIGAR, by contrast, must make its quarterly reports available to the public *and* post them on a public website in English and other languages that the IG determines “are widely used and understood in Afghanistan.”<sup>86</sup> The extent to which special IGs must post individual audits, inspections, or evaluation reports and documents containing recommendations on their websites or other public websites is unclear.<sup>87</sup>

## Oversight.gov

The majority of IGs have elected to participate in Oversight.gov—an electronic repository launched in October 2017 that contains IG reports from 2000 through the present.<sup>88</sup> Unlike many individual OIG websites, Oversight.gov features a searchable database that can filter reports across OIGs based on several criteria, such as a specific IG, review type, or keyword. Establishment of, and participation in, Oversight.gov is not statutorily required.<sup>89</sup> As of January 2019, 71 of 74 IGs had posted reports on the website.<sup>90</sup> IGs determine which reports to post on the website. Many posted reports are also available on individual OIG websites, although some are not. For example, the AOC IG audit, inspection or evaluation, and investigation reports are posted on Oversight.gov but not on the OIG’s website.<sup>91</sup>

## Coordination and Oversight of Statutory IGs

### CIGIE

CIGIE is the primary oversight and coordinative body for the IG community. The council consolidated and replaced two IG coordinative bodies previously established by executive order: the President’s Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency.<sup>92</sup> CIGIE members include all statutory IGs along with other relevant officers, such as representatives of the Federal Bureau of Investigation (FBI) and the Office of Special Counsel.

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<sup>85</sup> 12 U.S.C. §5231(i)(5).

<sup>86</sup> 5 U.S.C. Appendix (IG Act) §8G note.

<sup>87</sup> The authorizing statutes for SIGAR and SIGTARP do not incorporate Sections 4(b)(2), 5, or 8M of the IG Act, nor do they establish similar requirements. However, their authorizing statutes state that the IGs “shall also have the responsibilities and duties of inspectors general under the Inspector General Act of 1978,” which might include the aforementioned transparency requirements. See 12 U.S.C. §5231(c)(3) (SIGTARP) and 5 U.S.C. Appendix (IG Act) §8G note (SIGAR).

<sup>88</sup> CIGIE, “CIGIE Launches Oversight.gov: IGs Found More Than \$25 Billion in Potential Cost Savings in FY2017, New Website Shows,” October 2, 2017, [https://www.ignet.gov/sites/default/files/files/CIGIE%20Announces%20Official%20Launch%20of%20Oversight\\_gov\\_10\\_02\\_17\\_Final.pdf](https://www.ignet.gov/sites/default/files/files/CIGIE%20Announces%20Official%20Launch%20of%20Oversight_gov_10_02_17_Final.pdf). For more information on the website, see <https://oversight.gov/about>.

<sup>89</sup> The website is discussed in this section because IGs may use it to fulfill certain statutory reporting requirements.

<sup>90</sup> IGs for the CIA, National Geospatial-Intelligence Agency, USCP, and U.S. International Development Finance Corporation were not listed as participating OIGs on the website as of this date.

<sup>91</sup> AOC OIG, “Inspector General,” <https://www.aoc.gov/oig/office-inspector-general>.

<sup>92</sup> See Executive Order 12805, “Integrity and Efficiency in Federal Programs,” 57 *Federal Register* 20627, May 11, 1992; and Executive Order 12301, “Integrity and Efficiency in Federal Programs,” 46 *Federal Register* 19211, March 26, 1981.

The council chairperson is an IG elected from members of the council, and the Office of Management and Budget Deputy Director for Management serves as the executive chairperson.<sup>93</sup>

Pursuant to the IG Act, CIGIE’s mission is to “address the integrity, economy, and effectiveness of issues that transcend individual Government agencies” and “increase the professionalism and effectiveness of [OIG] personnel.”<sup>94</sup> The IG Act vests CIGIE with several responsibilities to accomplish this mission,<sup>95</sup> which can be grouped into the following categories:

- **IG workforce training and development.** CIGIE maintains at least three training academies for auditors, investigators, inspectors/evaluators, and other personnel in IG offices.<sup>96</sup> CIGIE also develops and maintains other resources and guides to aid OIG personnel in conducting their work.<sup>97</sup>
- **Coordination of IG external peer reviews.** CIGIE develops and manages the policies and procedures that govern how IGs conduct external peer review—a process that involves one OIG assessing whether another OIG’s audits, inspections, and investigations comply with the applicable quality standards.<sup>98</sup>
- **Investigations of alleged IG wrongdoing.** The CIGIE Integrity Committee—the sole statutorily established committee within the council—receives, reviews, and refers for investigation allegations of misconduct by the IG or other OIG officials according to processes and procedures detailed in the IG Act.<sup>99</sup>
- **Identification of IG candidates.** The IG Act requires CIGIE to submit recommendations of candidates for vacant IG positions to the appropriate the appointing authority.<sup>100</sup> In response to this provision, the council established a Candidate Recommendations Panel, which identifies and vets candidates for IG positions.<sup>101</sup>
- **Cross-jurisdictional reports.** CIGIE periodically publishes reports on issues that transcend individual agency and IG jurisdictions. For example, as mentioned previously, CIGIE issued in 2018 a report on cross-cutting top management and performance challenges facing multiple agencies, such as IT security and management.<sup>102</sup>

Historically, CIGIE has not received a direct appropriation from Congress. Rather, the council is financed by the IG member offices, which contribute a pro rata amount of their annual funding to

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<sup>93</sup> 5 U.S.C. Appendix (IG Act) §§11(b)(1) and 11(b)(2).

<sup>94</sup> 5 U.S.C. Appendix (IG Act) §11(a).

<sup>95</sup> 5 U.S.C. Appendix (IG Act) §11(c).

<sup>96</sup> See CIGIE, “CIGIE Training Institute,” <https://www.ignet.gov/content/cigie-training-institute>.

<sup>97</sup> See, for example, CIGIE, “Manuals and Guides,” <https://ignet.gov/content/manuals-guides>.

<sup>98</sup> See, for example, CIGIE, “IG Peer Reviews,” <https://www.ignet.gov/content/ig-peer-reviews>.

<sup>99</sup> 5 U.S.C. Appendix (IG Act) §11(d). The committee is composed of six members—four IGs on CIGIE, the FBI representative on the council, and the Director of the Office of Government Ethics. The committee chairperson is elected to a two-year term by the members of the committee.

<sup>100</sup> 5 U.S.C. Appendix (IG Act) §11(c)(1)(F).

<sup>101</sup> For more information on the panel, see, for example, GAO, *Inspectors General, Information on Vacancies and IG Community Views on Their Impact*, GAO-18-270, March 2018, p. 7, <https://www.gao.gov/assets/700/690561.pdf>.

<sup>102</sup> CIGIE, *Top Management and Performance Challenges Facing Multiple Federal Agencies*, April 2018, [https://www.oversight.gov/sites/default/files/oig-reports/CIGIE\\_Top\\_Challenges\\_Report\\_April\\_2018.pdf](https://www.oversight.gov/sites/default/files/oig-reports/CIGIE_Top_Challenges_Report_April_2018.pdf).



CIGIE together with payments received in connection with attendance at CIGIE training. The contributions are placed into a no-year revolving fund.<sup>103</sup>

## Other Coordinative Bodies

Other interagency mechanisms have been created by law or administrative directive to support coordination among IGs for specific issues. Current examples are described below.<sup>104</sup>

- **Lead Inspector General (LIG) for Overseas Contingency Operations (OCO).** The LIG is a formal coordination role assigned to the IG for DOD, the Department of State, or the U.S. Agency for International Development.<sup>105</sup> The LIG provides comprehensive oversight of programs and operations in support of OCO, including the management and coordination of all related audits, inspections or evaluations, and investigations conducted by the three IGs. The chair of CIGIE must designate a LIG for each covered OCO.
- **Council of Inspectors General on Financial Oversight (CIGFO).** CIGFO is composed of IGs for nine financial regulatory agencies and is chaired by the Treasury IG. The mission of CIGFO is to facilitate information sharing among the nine IGs and develop ways to improve financial oversight.<sup>106</sup> In some cases, CIGFO has engaged in activities that build upon existing work of individual IGs. For example, CIGFO identified cross-cutting top management challenges facing all nine financial regulatory agencies.<sup>107</sup>

## Issues for Congress

Statutory IGs play a key role in government oversight, and Congress plays a key role in establishing the structures and authorities to enable that oversight. The structure and placement of IGs in government agencies allows OIG personnel to develop the expertise necessary to conduct in-depth assessments of agency programs. Further, IGs' dual reporting structure—to both agency heads and Congress—positions them to advise agencies on how to improve their programs and policies and to advise Congress on how to monitor and facilitate such improvement. Congress, therefore, may have an interest in ensuring that statutory IGs possess the resources and authorities necessary to fulfill their oversight roles.

As the federal government continues to evolve, so too does the role of IGs in government oversight. Agency programs and operations have increased in breadth, complexity, and interconnectedness. Consequently, IGs may face increasing demand to complete statutorily

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<sup>103</sup> 5 U.S.C. (IG Act) Appendix, §11(c)(3)(A)(ii); CIGIE, “Charter,” <https://www.ignet.gov/content/charter>; CIGIE, *FY2018 Agency Financial Report*, November 14, 2018, pp. 32-33, [https://ignet.gov/sites/default/files/files/CIGIE\\_2018\\_Agency\\_Financial\\_Report.pdf](https://ignet.gov/sites/default/files/files/CIGIE_2018_Agency_Financial_Report.pdf); and email communication with CIGIE on December 13, 2018.

<sup>104</sup> A past example of a statutory coordinative body is the Recovery Accountability and Transparency Board, which consisted of federal IGs and was tasked with overseeing funds covered under the American Recovery and Reinvestment Act of 2009. For more information, see CRS Report R40572, *General Oversight Provisions in the American Recovery and Reinvestment Act of 2009 (ARRA): Requirements and Related Issues*, by Clinton T. Brass.

<sup>105</sup> P.L. 112-239, §848; listed in 5 U.S.C. Appendix (IG Act) §8L.

<sup>106</sup> P.L. 111-203, §989E; listed in 5 U.S.C. Appendix (IG Act) §11 note.

<sup>107</sup> CIGFO, *Top Management and Performance Challenges Facing Financial Regulatory Organizations*, September 2018, <https://www.treasury.gov/about/organizational-structure/ig/Agency%20Documents/CIGFO%20MPC%20Final%20Report%202018.pdf>.

mandated reviews of programs and operations that require (1) a broader focus on program performance and effectiveness in addition to waste, fraud, and abuse; (2) analysis of specialty or technical programs, possibly in emerging policy areas; and (3) use of more complex analytical methods and tools.

Congress may consider several options regarding IG structures, functions, and coordination as the role of IGs in government oversight evolves.<sup>108</sup> In serving Congress with nonpartisan and objective analysis and research, CRS does not make recommendations or take positions on particular options.

## Independence

Federal laws and administrative standards require IGs to be independent of the entities and/or activities they evaluate. There is no standard definition, however, for what constitutes IG independence. Rather, IGs derive independence from a combination of statutory authorities and requirements, such as the requirement that IGs be appointed on the basis of integrity and demonstrated ability in certain skill sets, and independence and transparency of IG budgets.<sup>109</sup> It could be argued that challenges remain to ensuring that IGs possess the requisite independence to carry out their missions. Congress may consider several broad questions if it weighs further options related to IG independence, such as the following:

- **What constitutes IG independence?** IGs, agencies, and Congress may perceive independence differently, and by extension, may interpret and exercise statutory authorities that affect independence in varied (and possibly divergent) ways. A GAO report that assessed an IG's level of independence stated the following:

To a large extent, independence is a state of mind of the auditor. The extent to which an auditor's independence has been affected by surrounding influences cannot be easily assessed by a third party. Any effort to assess auditor independence requires considerable subjective judgment, and reasonable people have room for disagreement.<sup>110</sup>

- **What factors affect IG independence?** Several internal and external factors may also affect an IG's independence. Examples of internal factors include self-interest, familiarity with agency personnel in units undergoing a review, and other "threats to independence" outlined in CIGIE's quality standards.<sup>111</sup> Examples of external factors include IG statutory authorities—such as

<sup>108</sup> Congress and other stakeholders have held events to commemorate the 20<sup>th</sup>, 25<sup>th</sup>, and 40<sup>th</sup> anniversaries of the IG Act that have included discussions of many of the issues described in this section. See, for example, U.S. Congress, Senate Committee on Governmental Affairs, *The Inspector General Act: 20 Years Later*, 105<sup>th</sup> Cong., 2<sup>nd</sup> sess., September 9, 1998, S.Hrg. 105-737 (Washington, DC: GPO, 1998); U.S. Congress, House Committee on Government Reform, Subcommittee on Government Efficiency and Financial Management, *25<sup>th</sup> Anniversary of the Inspector General Act—Where Do We Go From Here?*, 108<sup>th</sup> Cong., 1<sup>st</sup> sess., October 8, 2003, Serial No. 108-110 (Washington, DC: GPO, 2004); and CIGIE, "Building on 40 Years of Excellence in Independent Oversight," 2018, <https://www.ignet.gov/2018-commemoration>.

<sup>109</sup> See, for example, 5 U.S.C. Appendix (IG Act) §§6(a)(7), 3(b), and 3(g).

<sup>110</sup> GAO, *Inspectors General: Allegations About the Independence of the Former VA Inspector General*, GAO/AMFD-89-46, March 1989, p. 3, <http://www.gao.gov/assets/220/211076.pdf>.

<sup>111</sup> CIGIE, *Quality Standards for Federal Offices of Inspectors General*, August 2012, pp. 10 and 12-13, <https://www.ignet.gov/sites/default/files/files/Silver%20Book%20Revision%20-%208-20-12r.pdf>.

appointment and removal methods and access to agency records—structure and leadership of the affiliated entity, and political influence.

- **What is the appropriate balance between IG independence and agency management?** The IG Act established a dual reporting structure that requires IGs to report to both Congress and their affiliated entity heads.<sup>112</sup> This structure creates potential tension between IGs and their affiliated entity heads. An IG, therefore, must maintain independence from the agency head to assess the agency's programs and operations objectively while also fostering a working relationship with agencies to ensure the effectiveness of those assessments.<sup>113</sup>

## Appointment and Removal Methods

As noted earlier in this report, IGs can generally be appointed under one of three methods: (1) by the President, with the advice and consent of the Senate (PAS); (2) by the President alone (PA); or (3) by the affiliated entity head. Observers have asserted that appointment and removal methods affect an IG's independence and effectiveness—both directly and indirectly—though opinions vary regarding the level and type of impact.

- **Direct impact.** Some observers have argued that the PAS appointment method strengthens IG independence. For example, GAO general counsel Gary Kepplinger suggested that PAS-appointed IGs experience greater organizational independence compared to agency-appointed IGs, noting that “the further removed from the appointment source is from the entity to be audited, the greater the level of independence.”<sup>114</sup> Others have asserted that PAS appointments—including converting an IG from agency appointment to a PAS appointment—might politicize the IG position and reduce IG effectiveness.<sup>115</sup>

Similar debates exist regarding IG removal methods. Some observers have expressed concern over potential politicization of the IG removal process, which may undermine IG independence.<sup>116</sup> Some have suggested that limiting the removal of IGs “for cause” could mitigate arbitrary removal (such as for political

<sup>112</sup> 5 U.S.C. Appendix (IG Act) §3(a); 5 U.S.C. Appendix (IG Act) §4(a)(5).

<sup>113</sup> Congress acknowledged the potential for such tension but stated that the “potential advantages far outweigh the potential risks.” U.S. Congress, Senate Committee on Governmental Affairs, report to accompany H.R. 8588, 95<sup>th</sup> Congress, 2<sup>nd</sup> sess., August 8, 1978, S.Rept. 95-1071 (Washington, DC: GPO, 1978), p. 9. See also Partnership for Public Service, *Walking the Line, Inspectors General Balancing Independence and Impact*, September 2016, <https://ourpublicservice.org/wp-content/uploads/2016/09/0bd2a00052bc1e7c216c5ee89fc4b457-1491000841.pdf>. The Partnership for Public Service describes itself as a “nonprofit, nonpartisan organization that strives for a more effective government for the American people.” For more information on the Partnership for Public Service, see <https://ourpublicservice.org/about/>.

<sup>114</sup> GAO, *Inspectors General: Independent Oversight of Financial Regulatory Agencies*, GAO-09-524T, March 25, 2009, pp. 3-4, <http://www.gao.gov/new.items/d09524t.pdf>.

<sup>115</sup> See, for example, U.S. Congress, House Committee on Oversight and Government Reform, Subcommittee on Government Management, Organization, and Procurement, *The Roles and Responsibilities of Inspectors General Within Financial Regulatory Agencies*, 111<sup>th</sup> Cong., 1<sup>st</sup> sess., March 25, 2009, Serial No. 111-49 (Washington, DC: GPO, 2010), pp. 34, 46, 49, 53, and 70; and U.S. Congress, House Committee on Government Reform, *The Politicization of Inspectors General*, minority staff report, October 21, 2004, <https://web.archive.org/web/20050724160427/http://reform democrats.house.gov/story.asp?id=726>.

<sup>116</sup> See, for example, U.S. Congress, House Committee on Oversight and Government Reform, “Update and Supplement to the Initial Report: The Firing of the Inspector General for the Corporation for National and Community Service,” majority staff press release, March 2, 2010, <https://oversight.house.gov/report/update-and-supplement-to-the-initial-report-the-firing-of-the-inspector-general-for-the-corporation-for-national-and-community-service/>.

reasons) and enhance IG independence.<sup>117</sup> Others have asserted that this limitation might prevent the President or agency heads from removing IGs for legitimate reasons (such as poor performance), thus diminishing IG accountability.<sup>118</sup>

- **Indirect impact.** IG appointment and removal methods may also indirectly affect independence by contributing to IG vacancies. Concerns exist that the IG vetting and confirmation processes (particularly PAS appointments) take too long, leading to prolonged IG vacancies and use of acting IGs.<sup>119</sup> It could also be argued that removal methods (such as “for cause” removal and term limits) might increase the number and length of IG vacancies.

Some observers have argued that acting IGs are inherently, or may be perceived as, less independent or effective compared to permanent IGs for various reasons. Examples include not having gone through formal vetting processes, reduced ability to set long-term strategies and priorities, and perverse incentives to not report problems in agency operations or resist political pressure from agency heads—particularly for those seeking the permanent position.<sup>120</sup> For example, in a letter to the majority and minority leaders of the Senate for the 115<sup>th</sup> Congress, CIGIE stated that

no matter how able or experienced an Acting Inspector General may be, a permanent IG has the ability to exercise more authority in setting policies and procedures and, by virtue of the authority provided for in the IG Act, inevitably will be seen as having greater independence.<sup>121</sup>

Other observers have asserted that acting IGs are not inherently less independent, nor do they appear or are perceived as less independent, than permanent IGs. For example, in a GAO report, some permanent IGs and OIG employees responding to a survey provided several reasons for why acting IGs are not less independent than permanent IGs. Examples include that acting IGs have the same statutory authorities as permanent IGs, are held to the same standards as permanent IGs, and are typically career OIG employees who prioritize independence.<sup>122</sup>

<sup>117</sup> See, for example, GAO, *Highlights of the Comptroller General’s Panel on Federal Oversight and The Inspectors General*, GAO-06-931SP, September 2006, pp. 2 and 5, <https://www.gao.gov/assets/210/202958.pdf>.

<sup>118</sup> See, for example, U.S. Congress, House Committee on Oversight and Government Reform, Subcommittee on Government Management, Organization, and Procurement, *Inspectors General: Independence and Integrity*, 110<sup>th</sup> Cong., 1<sup>st</sup> sess., June 20, 2007, Serial No. 110-48 (Washington, DC: GPO, 2008), pp. 13, 34, and 105; and U.S. Congress, Senate Committee on Homeland Security and Governmental Affairs, *Strengthening the Unique Role of the Nation’s Inspectors General*, 110<sup>th</sup> Cong., 1<sup>st</sup> sess., July 11, 2007, S.Hrg. 110-587 (Washington, DC: GPO, 2008), pp. 134-139.

<sup>119</sup> See, for example, U.S. Congress, Senate Committee on Homeland Security and Governmental Affairs, *Watchdogs Needed: Top Government Investigator Positions Left Unfilled for Years*, 114<sup>th</sup> Cong., 1<sup>st</sup> sess., June 3, 2015, S.Hrg. 114-486 (Washington, DC: GPO, 2015), pp. 2, 5, 8-10, 14, 16, 18-19, 23, 25, and 32.

<sup>120</sup> *Ibid.*, pp. 9, 16, and 45-47; GAO, *Inspectors General, Information on Vacancies and IG Community Views on Their Impact*, GAO-18-270, March 2018, pp. 27-41, <https://www.gao.gov/assets/700/690561.pdf>.

<sup>121</sup> CIGIE, letter to Senator Mitch McConnell and the Honorable Harry Reid, November 7, 2016, p. 2, [https://www.ignet.gov/sites/default/files/files/CIGIE\\_Senate\\_Letter\\_IG\\_Vacancies\\_07Nov16%20\(1\).pdf](https://www.ignet.gov/sites/default/files/files/CIGIE_Senate_Letter_IG_Vacancies_07Nov16%20(1).pdf).

<sup>122</sup> GAO, *Inspectors General, Information on Vacancies and IG Community Views on Their Impact*, GAO-18-270, March 2018, pp. 28-41, <https://www.gao.gov/assets/700/690561.pdf>.

## Audit Follow-Up and Oversight of IG Recommendations

While IGs are authorized to develop recommendations to improve government programs and operations, they are not authorized to enforce them.<sup>123</sup> Rather, agencies possess the authority to ensure the implementation of IG recommendations and resolve any disagreements on recommendations between the IG and the agency.<sup>124</sup> Certain agencies must “take action to address deficiencies” identified in IG reports or to certify that no action is necessary or appropriate.<sup>125</sup>

Congress and other observers have expressed concern about the total number of unimplemented IG recommendations and potential barriers to resolving them, such as the quality and consistency of agency and IG audit follow-up procedures, tracking unimplemented recommendations, and determining the resolution of recommendations.<sup>126</sup> Some observers have discussed options to improve audit follow-up and oversight of IG recommendations, such as

- standardized and enhanced audit follow-up procedures, including defined roles and responsibilities for IGs and their affiliated agencies;
- uniform terminology for the status of IG recommendations, including a standard definition for what constitutes an “open” recommendation;<sup>127</sup>
- systematic tracking of and reporting on the total number and status of IG recommendations;<sup>128</sup>
- prioritization of IG recommendations; and
- a centralized, public database of all open recommendations.<sup>129</sup>

## Workforce Composition and Skills

OIGs need personnel with an appropriate mix of skills to effectively pursue their statutory missions to prevent and detect government waste, fraud, and abuse. Traditionally, OIG workforces have been primarily composed of auditors and investigators, though OIG workforce

<sup>123</sup> The IG Act prohibits IGs from undertaking “program operating responsibilities,” which includes enforcement of recommendations. See 5 U.S.C. Appendix (IG Act) §§ 8G(b) and 9(a)(2).

<sup>124</sup> OMB, *Audit Followup*, Circular A-50, September 29, 1982, <https://www.whitehouse.gov/wp-content/uploads/2017/11/Circular-050.pdf>.

<sup>125</sup> See, for example, Department of the Treasury responsibilities outlined in 12 U.S.C. §5231(f).

<sup>126</sup> U.S. Congress, Senate Committee on Homeland Security and Governmental Affairs, Subcommittee on Regulatory Affairs and Federal Management, *Implementing Solutions: The Importance of Following Through on GAO and OIG Recommendations*, 114<sup>th</sup> Cong., 1<sup>st</sup> sess., December 10, 2015, S.Hrg. 114-265 (Washington, DC: GPO, 2016).

<sup>127</sup> See, for example, Project on Government Oversight (POGO), *The Watchdogs After Forty Years: Recommendation for our Nation’s Federal Inspectors General*, July 9, 2018, p. 21. POGO describes itself as a “nonpartisan, independent watchdog that investigates and exposes waste, corruption, and abuse of power, and when the government fails to serve the public or silences those who report wrongdoing.” POGO’s mission further notes that the organization champions “reforms to achieve a more efficient, ethical, and accountable federal government that safeguards constitutional principles.” For more information on POGO, see <https://www.pogo.org/>.

<sup>128</sup> Ibid.; Bipartisan Policy Center, *Oversight Matters: What’s Next for Inspectors General*, July 2018, pp. 9, 10, 15 and 16. The Bipartisan Policy Center describes itself as a “non-profit organization that combines the best ideas from both parties to promote health, security, and opportunity for all Americans. BPC drives principled and politically viable policy solutions through the power of rigorous analysis, painstaking negotiation, and aggressive advocacy.” For more information on the Bipartisan Policy Center, see <https://bipartisanpolicy.org>.

<sup>129</sup> Several bills introduced in Congress would direct CIGIE to establish a searchable database of all open IG recommendations. See the Inspector General Recommendation Transparency Act of 2018 (S. 2178; 115<sup>th</sup> Congress), and Inspector General Recommendation Transparency Act of 2016 (S. 3109; 114<sup>th</sup> Congress).



professions and skills have diversified.<sup>130</sup> These positions generally require education and experience in audit and investigative procedures, such as assessing agency programs according to government auditing standards and compiling and analyzing evidence. However, the qualification requirements for these positions may not require experience in certain specialty areas that OIGs might evaluate, such as information technology (IT).<sup>131</sup>

Some have argued that OIGs should further diversify their workforces, including by building expertise in specialty areas beyond auditing and investigations such as IT, cybersecurity, and data analysis. Some observers have further argued that broadening the mix of OIG personnel skills could improve the quality and utility of audits and inspections or evaluations.<sup>132</sup> For example, it could be argued that building IT expertise within an OIG might enhance audit findings and recommendations related to securing and modernizing legacy IT systems—a key management and performance challenge facing multiple agencies.<sup>133</sup>

## IG Effectiveness

Some observers have asserted that IG reviews disproportionately focus on program compliance and outputs rather than program outcomes.<sup>134</sup> The Partnership for Public Service characterized this dichotomy as “the difference between counting the number of people who show up at a job training program, versus examining the number of attendees who get and keep a job after participating in the program.”<sup>135</sup> Observers have further argued that greater emphasis on program outcomes could better improve agency programs and operations and, by extension, increase IG effectiveness. Some IGs already assess program outcomes in addition to outputs and compliance. For example, a Department of Labor IG audit concluded that the Job Corps program could not demonstrate that it helped place participants in meaningful jobs related to their training due primarily to noncompliance with certain program policies and ineffective transition services.<sup>136</sup>

In addition, some observers have argued that certain statutory requirements do not promote IG effectiveness. For example, the Project on Government Oversight argued that statutorily required metrics in IG semiannual reports focus on program outputs—such as the dollar value of disallowed costs—but not necessarily on program outcomes<sup>137</sup> and that the IG peer review process focuses on compliance with applicable quality standards and does not evaluate the quality or effectiveness of an IG’s work.<sup>138</sup> Including an evaluation of IG performance and effectiveness

<sup>130</sup> GAO, *Inspectors General, Reporting on Independence, Effectiveness, and Expertise*, GAO-11-770, September 2011, pp. 16-18.

<sup>131</sup> See, for example, the OPM qualification standards requirements for the 0511 (Auditor), 1810 (Investigator), and 1811 (Criminal Investigator) positions, accessible at <https://www.opm.gov/policy-data-oversight/classification-qualifications/general-schedule-qualification-standards/#url=List-by-Occupational-Series>.

<sup>132</sup> See, for example, the Partnership for Public Service, *The Forward Looking Inspector General*, November 14, 2017, p. 9, <https://www.grantthornton.com/-/media/content-page-files/public-sector/pdfs/articles/2017/the-forward-looking-IG.ashx>; Bipartisan Policy Center, *Oversight Matters*, p. 26.

<sup>133</sup> CIGIE, *Top Management and Performance Challenges Facing Multiple Federal Agencies*, April 18, 2018, pp. 3-5.

<sup>134</sup> See, for example, Bipartisan Policy Center, *Oversight Matters*, p. 17.

<sup>135</sup> Partnership for Public Service, *The Forward-Looking Inspector General*, November 4, 2017, p. 2.

<sup>136</sup> U.S. Department of Labor, OIG, *Job Corps Could Not Demonstrate Beneficial Job Training Outcomes*, March 30, 2018, <https://www.oig.dol.gov/public/reports/oa/2018/04-18-001-03-370.pdf>.

<sup>137</sup> POGO, *Inspectors General: Accountability is a Balancing Act*, March 20, 2009, PDF pp. 13-17, 47, and 97-98; POGO, *Rating the Watchdogs: Are Our Inspectors General Effective?*, August 10, 2018, <https://www.pogo.org/analysis/2018/08/rating-watchdogs-are-our-inspectors-general-effective/>.

<sup>138</sup> *Ibid.*, PDF pp. 43-45.

as part of the peer review process might warrant consideration the potential impact on the way in which IGs approach, conduct, and report on audits and investigations.

## **CIGIE Structure and Functions**

Some observers have argued that CIGIE's structures and operations could be altered to strengthen coordination and oversight of the IG community. Examples include the following:

- **Strengthening oversight of the IG community.** Examples include enhancing the peer review process, expanding the duties of the CIGIE Integrity Committee, and elevating the role of the CIGIE Candidate Recommendations Panel in vetting IG candidates.
- **Reforming reporting requirements.** Examples include maintaining an index of IG reporting requirements, developing standardized templates for semiannual reports, statutorily altering required content in semiannual reports, and statutorily requiring maintenance of and participation in Oversight.gov.
- **Enhancing data analytics capabilities.** Responsibilities could include systematic tracking and analysis of data across IGs (such as IG vacancies and budgets), strengthening analyses to identify cross-agency top management and performance challenges, and developing an open recommendations database.
- **Enhancing coordination and resource sharing.** CIGIE could, for example, research and identify opportunities for IGs to utilize shared services.
- **Reforming the CIGIE funding model.** CIGIE and other stakeholders have recommended authorizing a direct appropriation for the council to help facilitate accomplishment of statutory duties as well as existing and proposed administrative duties (such as further developing Oversight.gov).<sup>139</sup>

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<sup>139</sup> CIGIE, letter to the Senate Committee on Homeland Security and Governmental Affairs, June 6, 2018, <https://www.ignet.gov/sites/default/files/files/Letter%20from%20CIGIE%20RE%20IG%20Recommendation%20Transparency%20Act%20of%202018.pdf>; and POGO, "Civil Society Calls on Appropriators to Support Oversight.gov," May 15, 2018, <https://www.pogo.org/letter/2018/05/civil-society-calls-on-appropriators-to-support-oversightgov/>.

## Appendix A. Statutory Inspectors General by Type

The four tables below list statutory inspectors general (IGs) by type—establishment, DFE, other permanent, and special. The tables include the IG’s affiliated entity, year of establishment, original authorizing statute, and relevant *U.S. Code* citation. The tables do not include IGs that have been abolished or administratively established.

**Table A-1. Establishment IGs**

As of January 2019

Office of Inspector General (current name of agency listed)	Year initially established	Original authorizing statute
Department of Health and Human Services <sup>a</sup>	1976	P.L. 94-505
Department of Energy <sup>a</sup>	1977	P.L. 95-91
Department of Agriculture	1978	P.L. 95-452
Department of Commerce		
Department of Housing and Urban Development		
Department of Labor		
Department of the Interior		
Department of Transportation		
Department of Veterans Affairs		
Environmental Protection Agency and the Chemical Safety Hazard and Investigation Board <sup>b</sup>		
General Services Administration		
National Aeronautics and Space Administration		
Small Business Administration		
Department of Education	1979	P.L. 96-88
Department of State and the Broadcasting Board of Governors <sup>c</sup>	1980	P.L. 96-465
Agency for International Development	1981	P.L. 97-113
Department of Defense	1982	P.L. 97-252
Railroad Retirement Board	1983	P.L. 98-76
Department of Justice	1988	P.L. 100-504
Department of the Treasury		
Nuclear Regulatory Commission		
Office of Personnel Management		
Corporation for National and Community Service	1993	P.L. 103-82
Federal Deposit Insurance Corporation (FDIC) <sup>d</sup>	1993	P.L. 103-204
Social Security Administration	1994	P.L. 103-296
Treasury IG for Tax Administration	1998	P.L. 105-206
Tennessee Valley Authority (TVA) <sup>e</sup>	2000	P.L. 106-422
Department of Homeland Security	2002	P.L. 107-296
Export-Import Bank of the United States	2002	P.L. 107-189
Federal Housing Finance Agency (FHFA) <sup>f</sup>	2008	P.L. 110-289



Office of Inspector General (current name of agency listed)	Year initially established	Original authorizing statute
National Reconnaissance Office (NRO) <sup>g</sup>	2014	P.L. 113-126
National Security Agency (NSA) <sup>g</sup>	2014	P.L. 113-126
Federal Communications Commission (FCC) <sup>h</sup>	2018	P.L. 115-141

**Source:** CRS analysis of the *United States Code* and original authorizing statutes for the listed IGs.

**Notes:** “Federal establishments” are defined in 5 U.S.C. Appendix (IG Act) §12(2). IGs for establishments are appointed and removable by the President. The table does not include previous establishment IGs that were abolished.

- a. The IG Amendments Act of 1988 (P.L. 110-504) abolished the IGs for the Departments of Energy and Health, Welfare, and Education and created IGs for the Department of Energy and Department of Health and Human Services as “establishments” under the IG Act of 1978.
- b. The EPA IG also oversees the Chemical Safety and Hazard Investigation Board, which was established under the Clean Air Amendments Act of 1990 (P.L. 101-549).
- c. The Foreign Affairs and Restructuring Act (P.L. 105-207, §1322) expanded the Department of State IG’s jurisdiction to include the Broadcasting Board of Governors in 1998.
- d. The FDIC was originally defined as a designated federal entity (DFE) under the IG Amendments Act of 1988. The Resolution Trust Corporation Completion Act (P.L. 103-204) redesignated the FDIC as an establishment.
- e. The TVA was originally defined as a DFE under the IG Amendments Act of 1988. The Bill to Amend the Inspectors General Act of 1978 (5 U.S.C. App) to Provide That Certain Designated Federal Entities Shall Be Establishments Under Such Act, and For Other Purposes (P.L. 106-422) redesignated the TVA as an establishment.
- f. The IG Amendments Act of 1988 originally defined the Federal Home Loan Bank Board as a DFE. The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (P.L. 101-73) abolished the board, replaced it with the Federal Housing Finance Board (FHFB), and designated the FHFB as a DFE. The Housing and Economic Recovery Act of 2008 (P.L. 110-289) abolished the FHFB, replaced it with the FHFA, and designated the FHFA as an establishment.
- g. The NRO and NSA were originally defined as DFEs under the Intelligence Authorization Act for Fiscal Year 2010 (P.L. 111-259). The Intelligence Authorization Act for Fiscal Year 2014 (P.L. 113-126) redesignated the NRO and NSA as establishments.
- h. The FCC was originally defined as a DFE under the IG Amendments Act of 1988. The Consolidated Appropriations Act, 2018 (P.L. 115-141) redesignated the FCC as an establishment.

**Table A-2. Designated Federal Entity (DFE) IGs**

As of January 2019

Office of Inspector General (current name of agency listed)	Year initially established	Original authorizing statute
Amtrak	1988	P.L. 100-504
Appalachian Regional Commission		
Board of Governors of the Federal Reserve and the Bureau of Consumer Financial Protection <sup>a</sup>		
Commodity Futures Trading Commission		
Consumer Product Safety Commission		
Corporation for Public Broadcasting		
Equal Employment Opportunity Commission		
Farm Credit Administration		
Federal Election Commission		
Federal Labor Relations Authority		
Federal Maritime Commission		
Federal Trade Commission		
Legal Services Corporation		
National Archives and Records Administration		
National Credit Union Administration		
National Endowment for the Arts		
National Endowment for the Humanities		
National Labor Relations Board		
National Science Foundation		
Peace Corps		
Pension Benefit Guaranty Corporation		
Smithsonian Institution		
U.S. International Trade Commission		
U.S. Postal Service		
U.S. Securities and Exchange Commission		
Denali Commission	1999	P.L. 106-31
Election Assistance Commission	2002	P.L. 107-252
Postal Regulatory Commission	2006	P.L. 109-435
Defense Intelligence Agency	2010	P.L. 111-259
National Geospatial-Intelligence Agency	2010	P.L. 111-259
Committee for Purchase From People Who Are Blind or Severely Disabled (AbilityOne)	2015	P.L. 114-113
U.S. International Development Finance Corporation	2018	P.L. 115-254

**Source:** CRS analysis of the *United States Code* and original authorizing statutes for the listed IGs.

**Notes:** “Designated federal entities” (DFEs) are defined in 5 U.S.C. Appendix (IG Act) §8G(a)(2). The table does not include previous DFE IGs that were abolished.

- a. The Dodd-Frank Wall Street Reform and Consumer Protection Act (P.L. 111-203, §1011 and §1081) expanded the jurisdiction of the IG for the Federal Reserve Board to cover the Consumer Financial Protection Bureau.

**Table A-3. Other Permanent IGs**

As of January 2019

Office of Inspector General (current name of agency listed)	Year initially established	Original authorizing statute	U.S. Code citation
Government Publishing Office <sup>a</sup>	1988	P.L. 100-504	44 U.S.C. §3901-3903
Central Intelligence Agency	1989	P.L. 101-193	50 U.S.C. §3517
Library of Congress	2005	P.L. 109-55	2 U.S.C. §185
U.S. Capitol Police	2005	P.L. 109-55	2 U.S.C. §1909
Architect of the Capitol	2007	P.L. 110-161	2 U.S.C. §1808
Government Accountability Office	2008	P.L. 110-323	31 U.S.C. §705
Intelligence Community	2010	P.L. 111-259	50 U.S.C. §3033

**Source:** CRS analysis of the *United States Code* and original authorizing statutes for the listed IGs.

**Notes:** Includes agency IGs that operate under individual statutes outside of the IG Act of 1978, as amended. The table does not reflect other permanent IGs that were abolished.

a. Formerly the Government Printing Office.

**Table A-4. Special IGs**

As of January 2019

Office of Inspector General (current name of agency listed)	Year initially established	Original authorizing statute	U.S. Code citation
Special Inspector General for Afghanistan Reconstruction	2008	P.L. 110-181	5 U.S.C. Appendix (IG Act) §8G note
Special Inspector General for the Troubled Asset Relief Program	2008	P.L. 110-343	12 U.S.C. §5231

**Source:** CRS analysis of the *United States Code* and original authorizing statutes for the listed IGs.

**Notes:** Includes IGs that operate under individual statutes outside of the IG Act of 1978, as amended, and have statutory sunset dates. The table does not include previous special IGs that expired or were abolished.

## Appendix B. Selected IG Statutory Authorities and Requirements

**Table B-1** compares selected statutory authorities and requirements across the four different types of statutory IGs in the federal government. Unless otherwise noted in bold, the listed authorities and requirements apply to all IGs grouped under each type. The table focuses on IG authorities and requirements that are *expressly mandated* in the applicable authorizing statute. Although special IGs and other permanent IGs in the legislative branch are not created under the IG Act, their authorizing statutes incorporate—and therefore make applicable—certain provisions of the IG Act. These “incorporation by reference” provisions are subject to some interpretation. Even when the authorizing statute for a special IG or other permanent IG in the legislative branch clearly and unequivocally incorporates a specific provision of the IG Act, interpretation may vary regarding whether subsequent amendments to that incorporated provision apply to the IGs if they occurred *after* the enactment of the IG’s authorizing statute.<sup>140</sup>

The list below defines and explains recurring terms included in the table:

- **Identical requirement.** The requirement is identical to the corresponding requirement in the IG Act. The authorizing statutes for the listed IGs explicitly state the identical requirement or clearly incorporate the sections of the IG Act that contain the requirement. Applies to the listed IGs.
- **Similar requirement.** The requirement is similar, but not identical, to a corresponding requirement in the IG Act. The authorizing statutes for the listed IGs explicitly state the similar requirement or clearly incorporate portions of the sections of the IG Act that contain the requirement. Applies to the listed IGs.
- **No similar requirement specified in authorizing statutes.** The authorizing statutes for the listed IGs do not explicitly state the requirement, nor do they incorporate sections of the IG Act containing the requirement. Does not apply to listed IGs.
- **Unclear requirement.** The authorizing statutes for the listed IGs incorporate the IG Act section that includes the requirement, but the requirement was added as an amendment to the IG Act after enactment of the authorizing statutes for the listed IGs. May or may not apply to the listed IGs.

<sup>140</sup> Although an argument can be made that the incorporation by reference includes subsequent amendments to the referenced statute, it would also appear that traditional canons of statutory interpretation may suggest that the proper construction of the authorizing statutes is that they incorporate only the text of the referenced provisions as they existed at the time the applicable authorizing statute was adopted. See *Hassett v. Welch*, 303 U.S. 303, 314 (1938), wherein the court stated, “Where one statute adopts the particular provisions of another by a specific and descriptive reference to the statute or provisions adopted, the effect is the same as though the statute or provisions adopted had been incorporated bodily into the adopting statute.... Such adoption takes the statute as it exists at the time of adoption and does not include subsequent additions or modifications of the statute so taken unless it does so by express intent.” Legal of the treatment of provisions incorporated by reference are beyond the scope of this report.

**Table B-1. Comparison of Selected Statutory Authorities and Requirements for IGs**

Unless otherwise noted in bold, the listed authorities and requirements apply to all IGs grouped under each type

Authority or Requirement	Establishment IG	DFE IG	Other Permanent IG		Special IG	
			Executive Branch <sup>a</sup>	Legislative Branch <sup>b</sup>	SIGAR	SIGTARP
Appointment, Removal, Term Limits, and Oversight Jurisdiction						
Oversight jurisdiction	Single-agency jurisdiction. Oversight of programs, operations, and activities under the jurisdiction of a single affiliated federal entity or entities (see <b>Table 3</b> for examples of exceptions)				Cross-agency jurisdiction. Oversight of a program, operation, or activity irrespective of agency jurisdiction	
Appointment method	Appointed by President with the advice and consent of the Senate	Appointed by the affiliated entity head	Appointed by President with the advice and consent of the Senate	Appointed by the affiliated entity head <b>USCP and AOC IGs:</b> Appointed by the affiliated entity head in consultation with other legislative branch IGs <sup>c</sup>	Appointed by the President alone	Appointed by the President with the advice and consent of the Senate
Removal or transfer method	Removal or transfer by President for any reason	Removal or transfer for any reason by the entity head, or upon written concurrence of two-thirds majority of the governing board, committee, or commission <b>USPS IG:</b> Removal for cause only upon written concurrence of seven out of nine Postal Board governors <sup>d</sup>	Removal only by President for any reason	Removal only by affiliated entity head for any reason <b>USCP IG:</b> Removal only upon unanimous vote of all voting members of the Capitol Police Board for any reason <sup>e</sup>	Removal or transfer by President for any reason	

Authority or Requirement	Establishment IG	DFE IG	Other Permanent IG		Special IG	
			Executive Branch <sup>a</sup>	Legislative Branch <sup>b</sup>	SIGAR	SIGTARP
<b>Congressional notification of removal or transfer</b>	President to notify Congress, in writing, the reasons for removal or transfer no later than 30 days before the action	Affiliated entity head to notify Congress, in writing, the reasons for removal or transfer no later than 30 days before the action	President to notify congressional intelligence committees, in writing, the reasons for removal only no later than 30 days before the action	Affiliated entity head to promptly notify Congress, in writing, the reasons for a removal only upon such removal <sup>f</sup> <b>USCP IG:</b> Capitol Police Board to notify certain congressional committees, in writing, the reasons for removal only upon such removal <sup>g</sup>	President to notify Congress, in writing, the reasons for removal or transfer no later than 30 days before the action	
<b>Term limit</b>	None <b>USPS IG:</b> Seven-year term limit for unlimited number of terms <sup>h</sup>		None <b>USCP IG:</b> Five-year term limit for up to three terms <sup>i</sup>		None	
<b>Salary, Appropriations, and Budget Formulation</b>						
<b>Salary</b>	Executive Schedule (EX) III maximum, plus 3 percent	Not less than the average total compensation of the affiliated entity's senior level executives	EX III maximum, plus 3 percent	Specific dollar amount below the salary of the affiliated entity head <b>GPO and LOC IGs:</b> No specific amount or pay scale specified in authorizing statutes <sup>j</sup>	EX III maximum, plus 3 percent	
<b>Budget formulation</b>	Standalone annual budget estimate separate from affiliated agency's budget estimate			No similar requirement specified in authorizing statutes (although subject to congressional direction) <sup>k</sup> <b>AOC and GPO IGs:</b> Unclear requirement	Unclear requirement <sup>l</sup>	



Authority or Requirement	Establishment IG	DFE IG	Other Permanent IG		Special IG	
			Executive Branch <sup>a</sup>	Legislative Branch <sup>b</sup>	SIGAR	SIGTARP
Appropriations	Separate appropriations account in President's budget	No separate account	Separate appropriations account in President's budget	No separate account	No similar requirement specified in authorizing statutes <sup>m</sup>	
Reporting Requirements						
Semiannual or quarterly reports	Required to issue a semiannual report that summarizes IG activities specified in the IG Act		Similar requirement (IGs must issue a semiannual report, but required elements of the report can vary)		Required to issue quarterly reports that include a detailed statement of all obligations, expenditures, and revenues associated with covered programs and activities	
Seven-day letter	Required to report "particularly serious or flagrant problems, abuses, or deficiencies" in agency programs or operations to affiliated entity head, who must transmit the report unaltered to appropriate congressional committees and subcommittees within seven days		Similar requirement	Identical requirement <b>GAO and USCP IGs:</b> No similar requirement specified in authorizing statutes	Unclear requirement	
Top management challenges	Required to report the "most serious management and performance challenges facing the agency" and the agency's progress in addressing those challenges <b>IGs for government corporations:</b> Statutorily exempt <sup>n</sup>			No similar requirement specified in authorizing statutes		
Transparency of IG Reports and Recommendations						
Transparency of reports and recommendations	Semiannual reports. Required availability to the public "upon request and at a reasonable cost"		Semiannual reports. No similar requirement specified in authorizing statutes	Semiannual reports. Identical requirement <b>GAO:</b> No similar requirement specified in authorizing statute	Quarterly reports. Available to the public upon request. <b>SIGAR:</b> Available on a public website	

Authority or Requirement	Establishment IG	DFE IG	Other Permanent IG		Special IG	
			Executive Branch <sup>a</sup>	Legislative Branch <sup>b</sup>	SIGAR	SIGTARP
	Audits and inspections or evaluations on website. Reports (or portion of the reports) must be posted on the OIG's website within three days of submitting final versions of the reports to the affiliated entity head		Audits and inspections or evaluations on website. No similar requirement specified in authorizing statutes	Audits and inspections or evaluations on website. No similar requirement specified in authorizing statute	Audits and inspections or evaluations on website. Unclear requirement	
	Documents with recommendations on website. Any "documents making a recommendation for corrective action" must be posted on the OIG's website within three days of submitting the final recommendation to the affiliated entity head		Documents with recommendations on website. No similar requirement specified in authorizing statutes	Documents with recommendations on website. Unclear requirement <b>GAO IG:</b> No similar requirement specified in authorizing statute	Documents with recommendations on website. Unclear requirement	
<b>Resolution of recommendations</b>	No similar requirement specified in authorizing statutes <b>IGs for the Federal Reserve System, Commodity Futures Trading Commission, National Credit Union Administration, Pension Benefit Guaranty Corporation, and Securities and Exchange Commission:</b> Affiliated entity heads must (1) take actions to address deficiencies identified by OIG reports and investigations, or (2) certify to Congress that no action is necessary <sup>c</sup>		No similar requirement specified in authorizing statutes		<b>SIGTARP:</b> Secretary of the Treasury must (1) take actions to address deficiencies identified by IG reports and investigations or (2) certify to Congress that no action is necessary	

**Source:** CRS analysis of the IG Act and authorizing statutes for IGs established outside of the IG Act.

**Notes:** The table focuses on IG authorities and requirements that are *expressly mandated* in the applicable authorizing statute. Although special IGs and other permanent IGs in the legislative branch are not created under the IG Act, their authorizing statutes incorporate—and therefore make applicable—certain provisions of the IG Act. It should be noted that these “incorporation by reference” provisions are subject to some interpretation. Even when the authorizing statute for a special IG or other permanent IG in the legislative branch clearly and unequivocally incorporates a specific provision of the IG Act, interpretation may vary regarding whether subsequent amendments to that incorporated provision apply to the IGs if they occurred *after* the enactment of the IG's authorizing statute.

- a. Includes IGs for the Central Intelligence Agency and Intelligence Community.
- b. Includes the IGs for the Architect of the Capitol (AOC), Government Accountability Office, Government Publishing Office (GPO), Library of Congress (LOC), and U.S. Capitol Police (USCP).
- c. 2 U.S.C. §1909(b)(1) (UCSP IG); 2 U.S.C. §1808(c)(1)(A) (AOC IG).
- d. 39 U.S.C. §202(e)(3).

- e. 2 U.S.C. §1909(b)(3).
- f. Pursuant to 2 U.S.C. §1909(b)(3), the Capital Police Board must communicate the reasons for removing the USCP IG prior to the end of his/her term to the House Committee on Administration, Senate Committee on Rules and Administration, and House and Senate Committees on Appropriations.
- g. The committees include the House Committee on Administration, Senate Committee on Rules and Administration, and the House and Senate Committees on Appropriation. See 2 U.S.C. §1909(b)(3).
- h. 39 U.S.C. §202(e)(2).
- i. 2 U.S.C. §1909(b)(2).
- j. The authorizing statute for the GPO IG states: “Any authority to make payments under this title [enacting this chapter and provisions set out as notes under Sections 101 and 3901 of this title] shall be effective only to such extent as provided in appropriations Acts.” See P.L. 100-504, Title II, §205, 102 Stat. 2531; 39 U.S.C. §3901 note.
- k. In practice, the LOC IG has compiled and submitted standalone annual budget estimates. In recent years, the House and Senate Committees on Appropriation have called for legislative branch agency budget requests to include separate sections for IG budget estimates. U.S. Congress, Conference Committee, conference report to accompany H.R. 5895, 115<sup>th</sup> Cong., 2<sup>nd</sup> sess., H.Rept. 115-929 (Washington, DC: GPO, 2018), p. 201; and U.S. Congress, Senate Committee on Appropriations, report to accompany S. 1648, 115<sup>th</sup> Cong., 1<sup>st</sup> sess., S.Rept. 115-137 (Washington, DC: GPO, 2017), p. 5.
- l. In practice, SIGAR and SIGTARP have compiled and submitted standalone annual budget estimates for their respective offices.
- m. In practice, the President’s annual budget submission has historically provided separate accounts for both SIGAR and SIGTARP OIGs.
- n. These include government corporations defined in 31 U.S.C. §9101. According to a CIGIE report, intelligence community IGs do not issue public top management and performance challenges reports. See CIGIE, *Top Management and Performance Challenges Facing Multiple Federal Agencies*, April 2018, p. 1, [https://www.oversight.gov/sites/default/files/oig-reports/CIGIE\\_Top\\_Challenges\\_Report\\_April\\_2018.pdf](https://www.oversight.gov/sites/default/files/oig-reports/CIGIE_Top_Challenges_Report_April_2018.pdf).
- o. P.L. 113-203, §989H; listed in 5 U.S.C. Appendix (IG Act) §5 note.

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